

U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT'S FISCAL YEAR 2022 BUDGET

HEARING BEFORE THE COMMITTEE ON THE BUDGET HOUSE OF REPRESENTATIVES ONE HUNDRED SEVENTEENTH CONGRESS FIRST SESSION

HEARING HELD IN WASHINGTON, D.C., JUNE 23, 2021

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CONTENTS

Hearing held in Washington, D.C., June 23, 2021	Page 1
Hon. John A. Yarmuth, Chairman, Committee on the Budget	1
Prepared statement of	4
Hon. Jason Smith, Ranking Member, Committee on the Budget	6
Prepared statement of	8
Letter submitted for the record	19
The Honorable Marcia Fudge, Secretary, U.S. Department of Housing and Urban Development	11
Prepared statement of	13
Hon. Sheila Jackson Lee, Member, Committee on the Budget, letter sub- mitted for the record	50
Statement submitted for the record	61
Questions submitted for the record	66
Answers submitted for the record	70

U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT'S FISCAL YEAR 2022 BUDGET

WEDNESDAY, JUNE 23, 2021

HOUSE OF REPRESENTATIVES
COMMITTEE ON THE BUDGET
Washington, D.C.

The Committee met, pursuant to notice, at 10 a.m., in room 210, Cannon House Office Building, Hon. John A. Yarmuth [Chairman of the Committee] presiding.

Present: Representatives Yarmuth, Higgins, Price, Schakowsky, Kildee, Horsford, Lee, Chu, Plaskett, Wexton, Jackson Lee, Sires, Moulton; Smith, Grothman, Smucker, Jacobs, Burgess, Carter, Cline, Boebert, Donalds, Feenstra, Good, Hinson, and Obernolte.

Chairman YARMUTH. This hearing will come to order. Good morning and welcome to the Budget Committee's hearing on the U.S. Department of Housing and Urban Development's Fiscal Year 2022 Budget. At the outset, I ask unanimous consent that the Chair be authorized to declare a recess at any time. Without objection, so ordered.

We are holding this hybrid hearing in compliance with the regulations for Committee proceedings pursuant to House Resolution 965 carried over to the 117th Congress via House Resolution 8. Members and witnesses may participate remotely or in person.

I would like to remind Members that we have established an email box for submitting documents before and during Committee proceedings and we have distributed that email address to your staff. For individuals who are participating remotely consistent with regulators, the Chair or staff designated by the Chair may mute a participant's microphone when the participant is not under recognition for the purposes of eliminating inadvertent background noise.

Members participating remotely are responsible for unmuting themselves when they seek recognition. We are not permitted to unmute Members unless they explicitly request assistance. If I notice that you have not unmuted yourself, I will ask you if you would like staff to unmute you. If you indicate approval by nodding, staff will unmute your microphone. They will not unmute your microphone under any other conditions.

Members participating remotely must have their cameras on and be visible on screen in order to be recognized. Members may not participate in more than one committee proceeding simultaneously.

Finally, in light of the Attending Physician's new guidance, individuals physically present in the hearing room who are fully vaccinated do not need to wear a mask or socially distance though

they may choose to do so. Individuals who are not fully vaccinated must continue to wear a mask unless they are speaking under recognition and must continue to socially distance.

Now I will introduce our witness. This morning, we will be hearing from the Honorable Marcia Fudge, Secretary U.S. Department of Housing and Urban Development. I will now yield myself five minutes for an opening statement.

I would like to start by welcoming our former colleague back to the House, the distinguished gentlewoman from Ohio, Secretary Marcia Fudge. Congratulations on your confirmation and thank you for being with us in person today. Madam Secretary, as you well know, having a place to call home is the bedrock of success. It is not just where you lay your head at night and where you start your day, it is where you start your family and begin to plan for the rest of your life.

Ensuring that every American has access to decent housing, to homes that are stable, secure, sanitary and safe should be a national priority. Instead, it has become a national failure. Millions of struggling Americans are currently living in dilapidated, outdated and unsafe homes and nearly 600,000 Americans experience homelessness on any given night in our country.

More than a generation ago, our government invested in safeguards to ensure housing affordability, including public housing. Now, 50 percent of public housing in America is more than 50 years old. And even with these units, waiting lists are tragically long and families are turned away.

The unmet needs go beyond public housing. Even before the pandemic, rent increases were outpacing renter's real income. In the last two decades, renters have seen their income rise less than 4 percent while their rent rose at least 15 percent. Today, 11 million families pay more than half their income on rent. If you add in rising housing costs, it is not difficult to see how the idea of working hard enough to one day buy a home has become more of a pipe-dream than the American Dream.

Without federal investments to restore safeguards and address systemic failures, this crisis will only get worse. That is why President Biden's 2022 budget includes historic investments in America's housing infrastructure to build and modernize housing across the country, increase sustainability and affordability and expand opportunities for lower income families and in previously excluded communities.

The Low-Income Housing Tax Credit is one of the federal government's most powerful tools for building and rehabilitating affordable housing, producing an estimated 100,000 affordable rental units per year. The President's budget invests an additional \$55 billion in this proven initiative and pairs it with investments and other successful housing subsidy programs. This includes a \$40 billion increase for the Public Housing Fund to build, maintain and retrofit more than one million affordable rental housing units across the country.

Increased capacity must also come with a commitment to increase accessibility, sustainability and safety. That is why the President's budget provides resources to support and sustain homeownership and renting opportunities. To upgrade and build schools

and childcare facilities, restore vacant buildings and reverse the effects of disinvestment in our communities.

It makes investments to remove lead-based paint and address residents critical health and safety concerns. It also includes incentives for zoning reform to remove exclusionary zoning laws and harmful policies that have not only inflated housing costs but also segregated communities and often barred low-income families of color from high opportunity neighborhoods.

It prioritizes the housing needs of communities that have been historically left behind or ignored like Indian country and rural America as well as our veterans. These resources will not only transform cities and communities, they will transform lives and fuel our recovery by creating hundreds of thousands of good paying jobs across the country.

I have seen it work firsthand. My hometown of Louisville, Kentucky is a national model of the power of federal housing investment. We are home to four highly successful Hope 6 projects. And just two weeks ago, we held a grand opening for a fifth project, this one funded through the newer Choice Neighborhood program.

I cannot overstate the impact of these federal investments. Entire neighborhoods transformed. Entire families set up for success and new areas of economic growth for our entire city. That is what can happen when the federal government invests in affordable housing.

Yes, the American Rescue Plan provided emergency rental and homelessness assistance as at-risk families struggled to keep a roof over their head during the pandemic. While this critical support continues to save households from eviction, ending the pandemic will not end our nation's housing crisis. That is why we need the historic investments and comprehensive plans outlined in the President's budget.

Secretary Fudge, I look forward to hearing more about this today and I thank you again for being here. With that, I would like to yield to the Ranking Member Mr. Smith, five minutes for his opening statement.

[The prepared statement of Chairman Yarmuth follows:]

Chairman John A. Yarmuth
Hearing on U.S. Department of Housing and
Urban Development's Fiscal Year 2022 Budget
Opening Statement
June 23, 2021

This hearing will come to order. I'd like to start by welcoming our former colleague back to the House, the distinguished gentlewoman from Ohio, Secretary Marcia Fudge. Congratulations on your confirmation and thank you for being here with us in-person today.

Madam Secretary, as you well know, having a place to call home is the bedrock of success. It's not just where you lay your head at night and where you start your day. It's where you start your family and begin to plan for the rest of your life.

Ensuring that every American has access to decent housing – to homes that are stable, secure, sanitary, and safe – should be a national priority. Instead it has become a national failure. Millions of struggling Americans are currently live in dilapidated, outdated, and unsafe homes – and nearly 600,000 Americans experience homelessness on any given night in our country.

More than a generation ago, our government invested in safeguards to ensure housing affordability, including public housing. Now, 50 percent of public housing in America is more than 50 years old. And even with these units, waiting lists are tragically long and families are turned away.

The unmet needs go beyond public housing. Even before the pandemic, rent increases were outpacing renters' real income. In the last two decades, renters' have seen their income rise less than four percent while their rent rose at least 15 percent. Today, 11 million families pay more than half their income on rent. If you add in rising housing costs, it is not difficult to see how the idea of working hard enough to one day buy a home has become more of a pipedream than the American Dream.

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It also includes incentives for zoning reform – to remove exclusionary zoning laws and harmful policies that have not only inflated housing costs but have also segregated communities and often barred low-income families and families of color from high opportunity neighborhoods. It prioritizes the housing needs of communities that have been historically left behind or ignored – like Indian Country and rural America – as well as our Veterans.

These resources will not only transform cities and communities, they will transform lives and fuel our recovery by creating hundreds of thousands of good-paying jobs across the country.

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Secretary Fudge, I look forward to hearing more about this today and thank you again for being here.

Mr. SMITH. Thank you, Mr. Chairman and welcome Secretary Fudge. It is great to have you with us. The first Cabinet Secretary and so it is nice to have a former colleague. The President's budget is a massive spending and tax plan. \$17 trillion dollars in new debt over the next 10 years. It taxes Americans to the tune of \$55 trillion dollars. The President breaks his promise not to raise taxes on American families who make less than \$400,000 dollars.

Under this budget, in 10 years, America will pay more to settle the interest on our national debt than it costs today to take care of our seniors on Medicare. It will also cost more than our entire national defense budget and 15 times more than the HUD budget.

But it's not just this explosion in federal spending and debt that concerns America's working class. It is the increased command and control over their lives and livelihoods by Washington Democrats. People who have never appeared on a single ballot but which the Biden Administration wants to give undue influence over some of the most personal decisions in our lives. Like where and how we choose to live. Already we are seeing the effects of the President's policies, the high prices Americans are facing at the pump and in the checkout line due to rising inflation.

For your Department, Madam Secretary, the Biden Administration has requested more than \$68 billion. Over the last six months, Congress already provided \$46 billion in rental assistance funding which is more than 70 percent of your Department's annual budget. And yet the Administration cannot show how much of that money was actually used to repay rent during the pandemic. This is a startling lack of accountability for such an immense sum of money.

The budget gives HUD a 15 percent raise. I would note at the same time, it flatlines Homeland Security funding during a crisis at our southern border. Since January, we have had over 700,000 migrants attempt to illegally enter the United States. More than the number of people in the entire state of Wyoming or Vermont.

America is a generous nation, but we must ensure that public resources go to Americans in need before illegal immigrants. That is why it is alarming to hear that HUD is not requiring applicants to provide Social Security numbers for emergency housing vouchers. With thousands of homeless veterans struggling for help in our country, it is unacceptable to think that this Administration would put illegal immigrants over the men and women who served our country.

Congress has some work to do as well. Right now, almost every program at HUD is operating under long, expired congressional authorizations. Democrats have been in the majority for over 900 days and during that time, Congress has failed to reauthorize a single program at HUD. In fact, the Financial Services Committee has conducted 17 full hearings this Congress and none of them have addressed reauthorizing any of these programs.

We cannot identify waste, fraud, and abuse in our federal programs if Congress fails to do its most basic job. These failures also contribute to making the web of programs that HUD administers more complex and costly over time. After reading this budget, one thing is clear: President Biden is not focused on the concerns of the working class. Even when it comes to housing policy while gas and

food prices are going up as a result of the President's policies. This budget has an \$800 million dollar subsidy for Green New Deal Projects.

The working class cannot afford to wait while President Biden puts solar panels on their houses. The cost of living is going up right now. They want a budget that helps them support their families, drives up wages and restores economic security. I'm sorry to say this budget for HUD falls short for the American people. I yield back, Mr. Chairman.

[The prepared statement of Jason Smith follows:]



**Smith Opening Statement: House Budget Committee Hearing on
President Biden's FY22 HUD Budget**

June 23, 2021
As Prepared for Delivery

Thank you, Mr. Chairman.

Welcome Secretary Fudge, thank you for being here today. The President's budget is a massive spending and tax plan. \$17 trillion in new debt. Taxes Americans to the tune of \$55 trillion. In fact, the President breaks his pledge NOT to raise taxes on American families earning under \$400,000.

Under this budget, in ten years, America will pay more to settle the interest on our national debt than it costs today to take care of our seniors on Medicare. It will cost more than our entire national defense, and fifteen times more than HUD's annual budget. But it's not just this explosion in federal spending and debt that concerns America's working class. It is the increased command and control over their lives by Washington bureaucrats – people who never appeared on a single ballot but which the Biden Administration wants to give undue influence over some of the most personal decisions in our lives. Like where and how we choose to live.

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And yet, the Administration cannot show how much of that money was actually used to repay rent during the pandemic. This is a startling lack of accountability for such an immense sum of money. This budget gives HUD a 15% raise – I would note at the same time it flatlines homeland security funding during a crisis at our southern border.

Since January, we have had over 700,000 migrants attempt to illegally enter the United States – more than the number of people in the entire state of Wyoming or Vermont.

America is a generous nation, but we *must* ensure that public resources go to Americans in need before illegal immigrants. That is why it's alarming to hear that HUD is not requiring applicants to provide Social Security Numbers for Emergency Housing Vouchers. With thousands of homeless veterans struggling for help in our country, it's unacceptable to think that this Administration would prioritize illegal immigrants over the men and women who served our country.

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After reading this budget, one thing is clear: President Biden is not focused on the concerns of the working class, even when it comes to housing policy. While gas and food prices are going up as a result of the President's policies, this Department's budget has an \$800 million dollar *subsidy* for Green New Deal projects.

The working class can't afford to wait while President Biden puts solar panels on their houses. The cost of living is going up *right now*. They want a budget that helps them support their families, drives up wages, and restores economic security. I'm sorry to say, this budget for HUD falls short for the American people.

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Chairman YARMUTH. Thank you, Mr. Smith for your opening statement. In the interest of time, I ask that any other Members who wish to make a statement submit their written statements for the record to the email inbox we established for receiving documents before and during Committee proceedings. We have distributed that email address to your staff. I will hold the record open to the end of the day to accommodate those Members who may not yet have prepared written statements.

Once again, I would like to thank Secretary Fudge for being here this morning. The Committee has received your written statement and it will be made part of the formal hearing record. You will have five minutes to give your oral remarks and you may begin when you are ready.

STATEMENT OF THE HONORABLE MARCIA FUDGE, SECRETARY, U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

Secretary FUDGE. Thank you very, very much, Mr. Chairman, Ranking Member Smith, and the distinguished Members of this Committee. Certainly I miss being here with you but I have other work to do so thank you so much for having me here today.

I just want to say that the Biden/Harris Administration has put forth transformational investments which the public very much support. Even before the onset of COVID-19, nearly 11 million families spent more than half of their incomes on rent. The pandemic has only made that situation worse. Especially for communities of color and people of modest means.

The President understands we must take bold action to America's affordable housing crisis. That is why President Biden has proposed a budget for Fiscal Year 2022 that requests \$68.7 billion on behalf of the Department of Housing and Urban Development. This amount represents an increase of \$9 billion or 15 percent from HUD's enacted funding level for Fiscal Year 2021.

The President's budget would greatly strengthen the social safety net for the most vulnerable among us. It contains \$3.5 billion to provide housing and supportive services to Americans experiencing homelessness including young people and survivors of domestic violence.

The President's budget requests \$30.4 billion for HUD's housing choice voucher program. And if enacted, it would deliver potentially life changing assistance to an additional 200,000 households. The President's budget takes strong steps to preserve America's public housing stock. Nearly half of our public housing is more than 50 years old. Many properties face major capital needs. This is not just a safety issue but an issue of racial justice as people of color represent more than 70 percent of Americans who live in public housing.

That is why President Biden's budget invests \$3.2 billion toward public housing capital funds to help dramatically improve the quality of life of those residents.

And to further advance equity for underserved communities, the President's budget requests \$723 million in Indian Housing Block Grants. This funding would help create affordable housing, improve water conservation, and build climate resilient infrastructure on

tribal lands. In addition, the President's budget contains major investments to strengthen HUD's capacity to serve the American people.

Between 2012 and 2019, the number of full-time employees at our Agency declined by roughly 20 percent. HUD's dedicated team of outstanding civil servants is overworked and understaffed, and they need help. The President's budget would provide \$1.7 billion for HUD's internal operations. This would allow our Department to hire the employees we need to deliver critical services. From disaster relief to fair housing enforcement with urgency and with efficiency.

To build upon the vital funding contained in this budget and to dramatically expand our supply of affordable housing, the President has proposed the American Jobs Plan. It represents a once in a generation investment in our nation's infrastructure including our housing infrastructure. All told, the Jobs Plan provides \$318 billion to construct, restore and modernize more than 2 million affordable places to live.

It would significantly expand HUD's housing trust fund which helps create homes for renters with limited incomes. It would help produce as many as 600,000 affordable homes by increasing support for initiative such as the low-income housing tax credit. In addition, the Jobs Plan includes a new tax credit based on the proposed Neighborhood Homes Investment Act that can help build and renovate 500,000 homes for buyers of more modest means.

Taken together, the investments found in the American Jobs Plan and the President's budget underscore this Administration's commitment to address our affordable housing crisis head on. The American Jobs Plan and the President's 2022 budget tell the American people we view housing as a foundational platform to help solve our most urgent challenges, to expand security for those who live on the outskirts of hope, to advance opportunity and equity on behalf of marginalized communities, and to help provide every person with a dignified place to call home.

As a Member of Congress for nearly 13 years, I have the highest regard for this institution and thank each of you for the work you do on behalf of the American people. I look forward to working with this Committee to ensure HUD acts as a responsible steward of the funding entrusted to our Department. And to help making housing for all a reality in America. And with that, I am happy to answer your questions, Mr. Chairman.

[The prepared statement of Marcia Fudge follows:]

**STATEMENT OF
THE HONORABLE MARCIA L. FUDGE
SECRETARY OF HOUSING AND URBAN DEVELOPMENT
DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT
BEFORE THE
COMMITTEE ON BUDGET
U.S. HOUSE OF REPRESENTATIVES
PRESIDENT BIDEN'S FISCAL YEAR 2022 BUDGET**

June 23, 2021

Chairman Yarmuth, Ranking Member Smith, and distinguished Members of the Committee. Thank you for the opportunity to testify today in support of President Biden's 2022 Budget for the Department of Housing and Urban Development (HUD). The support of this Committee is critical to ensuring that every American has a roof over their head and can live in communities that are strong and resilient.

HUD's mission is critical to achieving the President's vision to ensure that we build back better from the COVID-19 pandemic public health and economic challenges and address longstanding systemic challenges, including racial injustice, rising inequality, and the climate crisis. This Budget makes historic investments that will help our Nation build back better and lay the foundation for shared growth and prosperity for decades to come. Our request greatly expands assistance to low-income families currently served by HUD programs, increases assistance to targeted vulnerable populations—including persons experiencing homelessness and Native Americans—and revitalizes neighborhoods with distressed HUD-assisted housing and concentrated poverty. HUD's work is critical to the Administration's efforts to improve the quality of life of the American people.

COVID-19 Pandemic

The past year of COVID-19 has been one of enormous challenges and difficulties. In the face of adversity and hardship, HUD staff in every region of the country continued to carry out the vital work of meeting the diverse needs of America's communities. HUD staff worked tirelessly to assist grantees and recipients of HUD assistance in their responses to the pandemic. While our nation is starting to turn the corner on COVID-19, we still have important work to do. In the months ahead, HUD will continue to play a critical role in the Administration's coordinated federal response to the pandemic—a response focused on protecting the health and well-being of the American people.

Many of the people living in federally-assisted housing have risk factors that make them particularly vulnerable to COVID. These factors include underlying medical conditions, race, and low incomes, along with racial and ethnic disparities in access to response, care, and treatment.

We are making sure that Federal, state, and local efforts reach those most at-risk of COVID and we are linking those efforts to people living in housing that HUD supports. The American

Rescue Plan is critical to our success in these efforts. Some of you may know that my last vote as a Member of Congress was for the American Rescue Plan Act of 2021. I was proud to vote for this historic legislation to get help to the American people during this moment of great challenge.

To meet this moment, we need to invest in our communities and our people. I believe that a budget is more than just a list of numbers; it reflects values and priorities. The 2022 President's Budget demonstrates the Administration's commitment to helping low-income families, seniors, and communities through the commitment of their federal government. For too long, housing needs have not been recognized as a national priority, resulting in a severe shortage of affordable housing and too many Americans unable to find a safe place to call home. This Budget begins to reverse that trend, investing in our housing infrastructure to meet urgent demand. I am proud to support President Biden's 2022 Budget and I look forward to working with you to meet urgent housing needs in all our communities.

President Biden's 2022 Budget

The 2022 President's Budget requests \$68.7 billion for HUD, approximately \$9.0 billion more than the enacted level for 2021. In addition to this discretionary request, the Budget also includes the American Jobs Plan and the American Families Plan. The Budget outlines an ambitious agenda to address challenges our Nation faces, ranging from climate change to housing discrimination to ending homelessness. This funding further builds on the substantial resources provided in the American Rescue Plan (ARP). The priorities in the HUD Budget include:

- \$30.4 billion for the Housing Choice Voucher Program, which accommodates 200,000 new vouchers, prioritizing those fleeing from domestic violence and households experiencing homelessness;
- \$3.5 billion to provide housing and services to individuals and families experiencing homelessness, including a focus on survivors of domestic violence and youth experiencing homelessness;
- \$400 million to remove dangerous health hazards from homes, including lead, carbon monoxide, and radon;
- \$800 million in targeted climate resilience and energy efficiency improvements in public, tribal, and other assisted housing;
- \$85 million for Fair Housing programs, and increased HUD staff capacity to redress discriminatory housing practices; and
- \$2 billion for Management and Administration expenses, or about three percent of the proposed Budget, investing in critical staffing and information technology needs to strengthen HUD's capacity to deliver on its mission.

In summary, HUD's proposed Budget allocates budget authority across programs and for staffing and other management and administrative expenses. Most of the budget authority funds programs to help vulnerable, low-income households—many elderly or disabled—pay their rent. The Office of Public and Indian Housing (PIH), the Office of Housing, and the Office of Community Planning and Development (CPD) administer these programs.

This request dovetails with funds provided by the CARES Act of 2020 and the American Rescue Plan Act of 2021, which appropriated \$12.4 billion and \$10.8 billion, respectively, across multiple HUD programs for urgently needed housing and services due to the COVID-19 pandemic. The 2022 President's Budget extends this comprehensive approach to address these challenges and invigorates the Nation's response through targeted funding increases and policy interventions, strengthening the Federal housing safety net, advancing equity, increasing access to affordable housing, addressing the climate crisis, and building HUD's capacity overall.

At HUD, we understand that our homes represent more than four walls and a roof. A good home can serve as a platform to spark economic opportunity and create healthier, more sustainable, and more inclusive communities. To further HUD's mission through this Budget, I have outlined five priorities:

- Strengthen and Broaden the Federal Housing Safety Net for People in Need
- Advance Housing Equity as a Means to Improve Housing Choices and Provide Greater Economic Opportunity
- Increase the Production of and Access to Affordable Housing
- Promote Climate Resilience, Environmental Justice, and Energy Efficiency Across the Housing Sector
- Strengthen HUD's Internal Capacity to Deliver on Mission

American Jobs Plan

The American Jobs Plan confronts the affordable housing crisis head on.

The plan invests \$213 billion to produce, preserve, and retrofit more than two million affordable and sustainable places to live.

Through targeted tax credits, formula funding, grants, and project-based rental assistance, the American Jobs Plan would produce, preserve, and retrofit more than a million affordable, resilient, accessible, and energy-efficient rental housing units.

In addition, the plan includes a new federal tax credit, as proposed in the Neighborhood Homes Investment Act, that could lead to the construction and renovation of approximately 500,000 single-family homes over the next decade—creating a pathway to homeownership for more families and allowing them to build wealth. Furthermore, it reinvests in communities to improve aging housing stock and maintain value for existing homeowners.

At the same time, the American Jobs Plan recognizes that investments alone won't solve our nation's affordable housing crisis. We must also eliminate barriers to producing affordable housing and expanding housing choices for people with low or moderate incomes.

To solve this problem, the American Jobs Plan calls for an incentive approach that awards flexible funding to local jurisdictions that take concrete steps to eliminate local regulations like minimum lot size or mandatory parking requirements. These types of local regulations drive up

the cost of producing affordable housing and can lock people out of neighborhoods that may have more opportunities for them and their children.

The American Jobs Plan will address longstanding public housing capital needs. Nearly 2 million people across the country live in public housing—including families, seniors, and people with disabilities.

Like many of the infrastructure investments in the American Jobs Plan, housing quality plays a key role in the health of families and communities. Yet nearly half of the public housing inventory is more than 50 years old. This means these buildings may have issues like lead paint, mold, and other health hazards that can be expensive to remediate.

The American Jobs Plan calls for an investment of \$40 billion to improve our public housing infrastructure and to address these critical safety concerns for residents. This is not just a safety issue but a racial justice issue, as more than one million people of color live in public housing. Furthermore, public housing is often located in severely under-resourced communities and is vulnerable to the dire effects of climate change. Investments that help reduce energy use or fortify against extreme weather events can help mitigate climate risk.

HUD's mission is to create strong, sustainable, inclusive communities and quality affordable homes for all. HUD is actively strengthening the housing market to bolster the economy and protect consumers. We are helping meet the need for quality affordable rental homes through our programs. We work to improve our citizens' quality of life through housing as a platform. And we are building inclusive and sustainable communities free from discrimination, while transforming the way HUD does business. The Budget delivers on these promises, and I am pleased to share this request with the Committee.

Under the President's leadership, America is getting back on track. We are turning the corner on the pandemic. Our economy is growing and creating jobs. Students are getting back into classrooms. For the fifth month in a row, unemployment claims have dropped precipitously as we have gotten Americans vaccinated. For all the progress we have already made, we cannot simply return to the way things were before the pandemic and economic downturn. We must seize this moment to reimagine and rebuild a new American economy that invests in the promise and potential of every American and makes it easier for families to break into and stay in the middle class. We must build back better.

Chairman Yarmuth, Ranking Member Smith, and distinguished Members of the Committee, I look forward to working with you. Thank you for the opportunity to appear before you today to discuss my priorities for the Department and how the President's 2022 Budget will serve our most vulnerable citizens, increase the resilience of our communities, and Build Back Better.

Chairman YARMUTH. Thank you very much for that statement. I will now begin our question and answer session. As a reminder, Members can submit written questions to be answered later in writing. Those questions and responses will be made part of the formal hearing record. Any Members who wish to submit questions for the record may do so by sending them to the Clerk electronically within seven days. And now, I recognize the gentleman from New York, Mr. Higgins for five minutes.

Mr. HIGGINS. Thank you, Mr. Chairman, thank you, Secretary for being here. Just for context, the United States spent \$6.5 trillion in three wars in the Middle East. None of it was paid for and there was no economic growth that came to the American economy because of that so-called investment. But we did pay a price. 7,036 United States soldiers were killed in those wars in Iraq. Today the Taliban is growing their influence in Afghanistan. 20 years ago, we took the Taliban out after 9/11. Iran and the Shiite militias own Iraq today.

So the reason why this is relevant is for context and the contrast between what the President's budget offers in the renewal of America as a powerful force for good in urban and city renewal. You represented Ohio's 11th District proudly for many, many years. I represent Buffalo and western New York.

This pandemic exposed a lot of the fragility, the vulnerability of the American economy and American society, particularly for people of color. And this bill, your budget, \$68.7 billion, a \$9 billion increase is what we need. The Neighborhood Homes Investment Act is a 35 percent tax credit for the construction and renovation of over 500,000 homes in this country over the next five years.

Too many times in Washington, we are confronted with a false choice. People will make the distinction between Wall Street and Main Street. What this bill does, it addresses the thing that has been forgotten for the past 50 years and that has the neighborhood streets where the homes are, where people live and struggle every single day.

So I just want you to continue to advocate for your budget and commit to helping me rebuild my community of Buffalo and western New York and Niagara Falls much like you were committed to Ohio's 11th District and the many, many years that you served there.

Secretary FUDGE. Thank you very, very much, Mr. Higgins. And let me just say that the thing that is so outstanding about this budget and the Jobs Plan is that finally as a nation we are investing in people. We invest in many, many things. We invest in brick and mortar. But today and going forward, we are investing in America's people.

The Ranking Member talked about working class people. I come from a working-class family. I talk to working-class people every day and they are finally feeling some hope about what we, the people who represent them every day, me at HUD and you here will do to change their lives. And so, I thank you sir and you have my commitment that I will work with you in any way I possibly can.

Chairman YARMUTH. The gentleman yields back the balance of his time. I now recognize the Ranking Member Mr. Smith for 10 minutes.

Mr. SMITH. Thank you, Mr. Chairman. Madam Secretary, I will start with an issue back home in Missouri with College of the Ozarks disputing a recent HUD directive which would force schools to violate their religious beliefs by obligating them to open their dorm rooms and shower spaces to members of the opposite sex. The directive based on President Biden's reinterpretation of the word sex in an Executive Order signed in January requires entities subjected to the Fair Housing Act not to discriminate based on gender identity.

As such, and since dorms are considered multifamily housing under HUD's purview, HUD could bring enforcement actions against faith-based colleges like the College of the Ozarks in Branson. Madam Secretary, do you believe the College of the Ozarks dorm and bathroom policies based on strongly held religious beliefs place them in violation of HUD's directive?

Secretary FUDGE. Thank you for the question, Mr. Ranking Member. What I do believe is that it is the law. The Bostock rule from the Supreme Court says it is the law and I am sworn to uphold the law.

Mr. SMITH. So you are also sworn to uphold the Constitution of free speech.

Secretary FUDGE. Correct.

Mr. SMITH. And so can you commit to me here today that HUD will not violate the First Amendment rights of faith-based private institutions by enforcing this directive?

Secretary FUDGE. What I will commit to you, sir, is that we will not violate anyone's Constitutional rights.

Mr. SMITH. That is good to hear, Madam Secretary. So it looks like College of the Ozarks is good. As I am sure you are aware, over 700,000 migrants have illegally crossed our border since January. More people than the entire population of Kansas City, Missouri. However, despite talk from the White House, there has been little action to address the overwhelming border crisis. In fact, some would argue the President and Vice President have, in fact, encouraged it.

Your Department recently put out guidance describing the process to allocate emergency housing vouchers. It disturbed me to read that despite, despite federal law stating the contrary, the Biden Administration reversed prior guidance and is no longer requiring applicants to provide Social Security numbers in order to assess these vouchers and taxpayer dollars. In fact, on June 11th, four U.S. Senators sent you a letter calling on you to reverse this policy. I ask unanimous consent to submit this letter into the record.

[Letter submitted for the record follows:]

United States Senate
WASHINGTON, DC 20510

VIA ELECTRONIC TRANSMISSION

June 11, 2021

The Honorable Marcia L. Fudge
Secretary
United States Department of Housing and Urban Development
451 7th Street, S.W.
Washington, D.C. 20410

Dear Secretary Fudge,

We write today to express our serious concern that taxpayer dollars from the American Rescue Plan will be improperly diverted to illegal immigrants. We believe this is a misguided decision which drives our nation further into debt to benefit illegal immigrants while diverting funds from hardworking American citizens. We ask that you reconsider this policy, and instead focus your efforts on housing for more Americans in need during the ongoing pandemic.

The Department of Housing and Urban Development (HUD) recently issued guidance describing its process to allocate emergency housing vouchers (EHVs) to public housing agencies (PHAs). Under federal law, applicants for federal housing assistance must provide a Social Security Number (SSN) in order to qualify. According to the guidance issued by HUD regarding 70,000 EHVs, the agency is not requiring applicants to provide SSNs.

We believe this is an invitation to fraud, waste, and abuse by illegal immigrants seeking to benefit from the taxpayer dollars of hardworking American citizens. This is wrong not just because it provides benefits to illegal immigrants over American citizens; it is wrong because we are currently in the throes of a crisis on our southern border. By allowing illegal immigrants to access these housing benefits without providing a SSN, HUD is encouraging further illegal immigration to the country in the middle of a pandemic when millions of hardworking Americans remain out of work and in desperate situations.

We call on you to change course and require SSN documentation to receive EHV assistance. In light of this distressing decision, we also ask that your agency respond to the following questions about this policy no later than July 12, 2021:

1. In spite of this misguided policy, is HUD taking any action to ensure that American citizens, and not illegal immigrants, receive assistance? What measures have you implemented to ensure that illegal immigrants will not violate federal law and take advantage of EHV assistance?

2. If and when illegal immigrants do unlawfully receive EHV assistance due to this policy, how will you ensure that American taxpayer dollars are repaid?
3. Will you commit to holding accountable illegal immigrants who do violate this policy? Will you ensure they are referred to law enforcement for prosecution?
4. Will HUD commit to working with us to ensure that EHV assistance is reserved solely for American citizens, especially those negatively impacted by COVID-19?

Thank you for your prompt attention to this serious matter. We are committed to ensuring that taxpayer dollars are not diverted from hardworking American citizens to support illegal immigrants. We look forward to your response on this pressing issue.

Sincerely,



Thom Tillis
United States Senator



Charles E. Grassley
Ranking Member
Senate Judiciary Committee



Tom Cotton
United States Senator



Mike Lee
United States Senator

Chairman YARMUTH. Without objection.

Mr. SMITH. Thank you, Mr. Chairman. You have basically rolled out the welcome mat to 700,000 illegal immigrants looking for a taxpayer funded tax paid funding place to stay. First off, can you confirm that this is true?

Secretary FUDGE. No, I cannot.

Mr. SMITH. So you did not have a directive that you no longer have to use Social Security numbers to apply?

Secretary FUDGE. No. What it says is that we have time to do it. What we are doing, sir, so that it is characterized properly, is when we find homeless people, we do give them vouchers but we then do check. So it is not that we are not checking.

Mr. SMITH. And how long does it take for you to check if they have a valid Social Security number?

Secretary FUDGE. We work with our partners on the ground. I do not know the date but I can tell you how long it takes and I will get back to you with that answer.

Mr. SMITH. And can you also explain what HUD is doing to make sure we are prioritizing American citizens and not illegal immigrants and ensure American citizens are the first to receive the assistance for these federal government vouchers?

Secretary FUDGE. First off, only American citizens technically or those who are here legally can receive it.

Mr. SMITH. There are no illegals that is receiving any vouchers?

Secretary FUDGE. As far as I know, there are not.

Mr. SMITH. That's great news and I would love to see if there is anyone that would argue that. On the other hand, there are over 37,000 homeless veterans in the United States and nearly 500 in my home state of Missouri. Yet your budget zeros out a program specifically designed to help homeless veterans. Can you please explain the reasoning for zeroing out this program in your budget while asking for more money for virtually every other program?

Secretary FUDGE. We already have resources between us and VA. We have those resources for homeless veterans and those numbers, quite frankly, up until COVID were going down, not up. And so, we have a focus, a very definitive focus on getting veterans off the street and I think that you will find if you look at this budget, the President's budget, and the VA budget, you will see that those resources are there.

Mr. SMITH. So Madam Secretary, based on your response to that question and since the funding for homeless veterans was zeroed out, that wasn't an increase, it was zeroed out. And you said there was already resources for that. Your budget under the bail out bills have received an incredible amount of money. Are you saying all of those had zero money left over?

Secretary FUDGE. No what I am saying to you is that between HUD's—200,000 vouchers that you have already talked—that we have talked about from the Jobs Plan, the resources that you have given us, graciously given us from the COVID package in December and the rescue package in March, do account for vouchers for veterans.

Mr. SMITH. And you just zeroed it out, did not need any more additional dollars for veterans.

Secretary FUDGE. We zeroed it out in our budget.

Mr. SMITH. OK. That is unfortunate.

Secretary FUDGE. What I am saying to you, sir, is that the resources are there in the VA. We work together. It is one government and one interagency process to make sure that veterans are treated fairly.

Mr. SMITH. It is just amazing to me, Mr. Chairman, that the one item that deals with homeless veterans is zeroed out when this Agency as a whole has a 15 percent increase across the board and that there is plenty of money left over from the prior COVID packages. But Biden and Pelosi have said that a budget is a statement of your values and a statement of your priorities. And clearly this budget by zeroing out funding for homeless veterans clearly shows the American people that this Administration's budget and their values is zero for our homeless veterans, which I think is absolutely horrendous and not a priority of the House Republicans or the American people for that matter.

Actions speak louder than words, Madam Secretary. This Administration is failing to uphold its promise to the men and women who served this nation proudly. Some of who are sleeping on the streets in Missouri and I think it is disgraceful that it was zeroed out.

Now President Biden has pledged to spend over \$2 trillion dollars on climate initiatives over the next four years, including \$213 billion budget requests to produce and retrofit more than 2 million energy efficient homes. Madam Secretary, how long will it take to produce and/or retrofit these green units?

Secretary FUDGE. Well every unit that we build today should be a green unit. We want climate efficiency. We want weatherization. We want people to live in places where their utility bills are not putting them out of their homes because they are too much. We want to be sure that we can have people live in efficient, energy efficient properties. I mean that is the process going forward that I think every single person—

Mr. SMITH. So how long will it take? That's my question.

Secretary FUDGE. How long will it take to do what?

Mr. SMITH. To retro fit it into a green item because I just do not want people sleeping on the streets.

Secretary FUDGE. Well, one of the things that we have to do is give us the money. Once we have the resources, then we can put in place the processes to make sure it happens.

Mr. SMITH. How much does your Agency have left over from the prior COVID packages?

Secretary FUDGE. Total, I do not know the number off the top of my head, but I would say about 90 percent of it is already out.

Mr. SMITH. So it's interesting because according to CBO in the Biden bailout bill in February, there was \$5 billion dollars for homeless assistance and zero was going to be spent in the year 2021 and the rest was going to be spent in 2022 and after.

Secretary FUDGE. Sir, that is absolutely not accurate.

Mr. SMITH. This is what the Congressional Budget Office—

Secretary FUDGE. That was in February, we are in June.

Mr. SMITH. So and we are still in Fiscal Year 1921. I am just saying what the Congressional Budget Office said. So I would love for you to provide to the House Republicans that that is not accu-

rate and then we will make sure the Congressional Budget Office says whether it is the case or not.

Secretary FUDGE. I would be happy to get it to you, sir.

Mr. SMITH. I appreciate that. So, you do not know a timeline of whenever these green energy homes will be retrofitted. It's just whenever the money comes?

Secretary FUDGE. Well certainly, you have to plan. You know, we cannot just say to people oh, we have a million dollars, go find something to do with it. We are very good stewards of taxpayers' dollars and we want—what we want is a plan and a timeline to make sure that the resources are being spent appropriately and timely.

Mr. SMITH. Exactly. So will the timeline delay the availability of housing for homeless persons or someone in need whenever you do have this timeline?

Secretary FUDGE. Well let me just tell you where we are now. The Chairman talked about some 600—almost 600,000 people sleeping on the street. If we do not do something very, very quickly, we do not have places to put people now.

Mr. SMITH. Yes, my biggest concern is I don't want people, additional people sleeping on the street because we are just trying to green retrofit. And so—

Secretary FUDGE. I think that is really not a fair statement.

Mr. SMITH. I just want to make sure that it is a priority Madam Secretary that when you are looking at retrofitting, that you put people before retrofitting and make sure that we allow as few as people to be sleeping on the streets just because of these green new proposals that is coming.

Secretary FUDGE. No one is sleeping on the street because of a green retro fit.

Mr. SMITH. That is good to hear.

Chairman YARMUTH. The gentleman's time has expired. I now recognize the gentlewoman from Illinois Ms. Schakowsky for five minutes. No, sorry the gentleman from North Carolina, Mr. Price for five minutes.

Mr. PRICE. Thank you, Mr. Chairman and let me join you and other Members in welcoming Secretary Marcia Fudge back to the House and our Committee. We had a good session on our Transportation HUD Appropriations Subcommittee and now we have another round at the Budget Committee and I am grateful for that.

Madam Secretary, I want to commend you, first of all, for the relentless message on the importance of turning around this housing crisis in this country and increasing our housing supply. Making certain that we have a clear understanding that housing is infrastructure. You have said that repeatedly and I want you to keep saying it. Because we have a huge stake in the passage of the American Jobs Plan and the inclusion of housing, full inclusion of housing as a component of American infrastructure.

I want to turn to another matter: disaster recovery, which is also, of course, within our HUD budget and something that has required a lot of attention in recent years. Especially in areas like I represent where we have repeated natural disasters and have reason to monitor this closely and to try to get the money flowing as quickly and efficiently as possible when people desperately need help.

The THUD Appropriations Subcommittee has appropriated around \$90 billion through this CDVGDR program, disaster relief program or disaster recovery program as we call it. And so we have experienced it firsthand in North Carolina, the effects of some of these hurdles that we have to clear and some of the delays we have to deal with.

The particular problems—there have been particular problems with Puerto Rico, and I want to ask you first of all how we are doing in getting some of those problems—those inequities corrected. And then I want to ask you some questions about the bigger picture. Because this program is cumbersome even when it works well, even when it works the way it should. There are multiple checkpoints, and the aid does not get out the way it should.

But there were particular with Puerto Rico, we discovered in our hearing. I saw what some of those were, and we know there was a political aspect to that with President Trump and his attitude Puerto Rico. They recklessly held back aid. So I wonder if you can first provide us a status update on the disaster recovery efforts in Puerto Rico and how those funds are flowing?

Secretary FUDGE. Certainly, and thank you for the question. I think that you will find, and I hope you will be pleased at what we have done since this Administration took over this project. One of things that we did was we streamlined the project. We made sure that we could get the resources out quickly. Right now, about 90 percent of all the resources that should have gone out seven, eight years are out.

What we do know though is that we need some kind of a permanent framework, Mr. Price, so that we can do this fairly, efficiently, and quickly. Puerto Rico and the Virgin Islands should have seen significant increases in their allocations, and I am very pleased at where we stand today.

Mr. PRICE. Well the repeated needs for federal Register notices about disaster recovery, unmet need funds, about mitigation funds it is a bewildering array sometimes of the check points. We did pass an authorization, as you well know in the last Congress—

Secretary FUDGE. Correct.

Mr. PRICE [continuing]. an authorization of that DR program in the House. And it certainly would help if we could have an authorization, I understand that. That one is on us. The—I wonder if you have anything to say though about the Puerto Rico situation in particular. What has this Administration specifically done to expedite that flow of funds and the help where it is needed?

Secretary FUDGE. I have personally spoken with the Governor. I have spoken with the Representative here. We have come to some very good—come to a very good place as to how we move forward. Again, we have removed the person who did oversight because we thought that that was a clog in the process. And so, we are moving very, very rapidly to be sure that we are providing not only the resources but the technical assistance they need. And my last conversation with the Governor, he was very pleased at our progress.

Mr. PRICE. All right. Well that is good to hear. We do want to monitor that carefully with you, and I visited the island—many, many members over the last few years since those devastating storms have had concerns about this. And so, we do want to make

sure that that is expedited and then understand also that this is part of a larger problem of the, you know, the CDBG money in many ways is the most flexible money we have so that is a good thing. And that category is there for a reason, but we defeat some of the purpose if we have it too entangled in bureaucracy. So we appreciate your commitment to working that out. Thank you very much, Mr. Chairman.

Chairman YARMUTH. The gentleman's time has expired. I now recognize the gentleman from Pennsylvania, Mr. Smucker, for five minutes.

Mr. SMUCKER. Thank you, Mr. Chairman. Secretary Fudge, good to see you, congratulations on your new role as Secretary. I think we can all agree we want every American to have access to housing and at a price that they can afford, and we do not want anybody to be in a situation of being homeless. So, you know, I hope to be able to work with you in your role to help address some of these issues.

I am concerned that the impacts of this budget will negatively impact the affordability of housing and will overwhelm some of the work that is being done at HUD. We are seeing massive new spending at a scale that we have not seen before which is clearly resulting in, due to expansion of the money supply to support that spending, inflation.

And I do not think it is going to be short term, I think we will see sustained inflation like we have not seen in decades as a result of the policies that this Administration. Which will make housing more unaffordable and will make individuals' dollars less able to provide for their needs. Are you concerned about how inflation will impact the affordability of housing?

Secretary FUDGE. I am concerned about inflation generally. But I think that if you look at what economists are saying today, the majority are saying that there may be some inflation but at this time they are not concerned about it being long term. Nor are they concerned about it doing something like increasing the cost of housing.

What is increasing the cost of housing today is things like lack of materials. I met with the home builders. They told me it costs them an additional \$32,000 in the purchase of materials and time to build a home.

Mr. SMUCKER. Per home, yes.

Secretary FUDGE. Yes. Another \$13,000 because of zoning that makes it more difficult for them to build the type of housing that they can build quickly. And so, that is a much bigger cost than inflation would make it.

Mr. SMUCKER. Well, that is inflation. The price of lumber going up 300 percent is inflation.

Secretary FUDGE. Some of it is a result of COVID that they do not have the materials.

Mr. SMUCKER. Yes. I mean, I am hearing exactly what you are, and it is making homes that much more affordable for so many more American families. So, you know, again, I want to work with you but the Department as a part of the overall budget, you are proposing an increase of 15 percent in spending. And I would like

to hear how you intend to address the operations of the Department.

As I am sure you know in September last year, the GAO found that at HUD there are 20 different entities administering 160 programs. So, you know, I think surely some of those programs are duplicative, some are probably more cost effective than others. In fact, there are quite a few studies out there that have found just that. According to HUD data before its most recent allocation, the housing trust fund, one particular program, received more than \$1.19 billion since Fiscal Year 2016. Yet through February 2021, more than two-thirds of those funds remain undispersed. And from the funds that have been dispersed, the housing trust fund has completed production of only 800 units of housing. So that is a 5-year production rate that would equate to one completed unit of housing for every \$1.5 million in the fund.

Your budget as I mentioned not only is a 15 percent increase but requests \$45 billion over the next five years for the housing trust fund. Could you please justify why you need more dollars for this fund when it has such an inefficient track record?

Secretary FUDGE. Well, I think that you kind of hit the nail on the head, and I agree with a lot of what you are saying. But let me just be clear about this: all the programs that HUD runs have been authorized by this Congress. I did not make them up, you know, I think it is time for us to take a look. I do not disagree with you at all. I think it is time for us to see if we can be more efficient, if we can be better and so I would love to work with you with that.

Mr. SMUCKER. So what plans do you have to create more efficiency in that particular program or in others as well?

Secretary FUDGE. Well, I think that probably maybe sometimes people do not really understand what the housing trust fund is for. Yes, it assists in building houses, but the primary purpose is to bring down the cost of housing. It kind of fills the gap for what a house would cost and how we can make it affordable.

Mr. SMUCKER. But the primary purpose is to bring down the cost of housing—

Secretary FUDGE. Well to build and to bring down the cost.

Mr. SMUCKER [continuing]. it is dramatically failing at that, yes.

Secretary FUDGE. Well no, that is really is what it is for. And so we put the resources into the trust fund in order to make housing affordable. It is specifically directed at low-income and moderate-income people. That is what the program is for. And I think that for the most part, I cannot speak to what happened before I came, but for the most part, we are on track to do what is necessary to be done.

And as it relates to how, we talked about our staff in which I am so pleased that you did. In 2019, we went down to 6000 staff, lower than it has ever been. At one point in this country, housing made up about 7 percent of the budget, it is less than 1 percent.

So then when we sit and wonder why our public housing is so bad, why there has not been any real investment in new housing, why the housing is in the shape it is in, because we have disinvested. We have not kept up for decades with what we should be doing to make public housing decent, to build new housing. We

are 11 million houses short of where people need to live today. And so at some point, we have to say to ourselves, do we really want to make this better or do we want to just keep putting band aids on it. This budget wants to make it better.

Mr. SMUCKER. Thank you, I am out of time.

Chairman YARMUTH. The gentleman's time has expired. I now recognize the gentlewoman from Illinois, Ms. Schakowsky, for five minutes.

Ms. SCHAKOWSKY. Thank you so much and thank you, Madam Secretary for being here. It was a pleasure to serve with you and now it is such a pleasure to see you in this position. So I am very concerned because at the end of this month which is coming up, the CDC extension on the moratorium on evictions ends. I was relieved when the HUD moratorium ended in March that the CDC came through with one.

I wanted to ask you, what is the plan? Because it is not forgiveness of the money that is owed and so what is the plan for all the people now who have this accumulated amount of money that they owe to the landlords and what is going to happen to the landlords?

Secretary FUDGE. First off, thank you. It is good to see you.

Ms. SCHAKOWSKY. So good to see you.

Secretary FUDGE. Thank you. As you know, the CDC is the entity that actually issues the moratorium and I do know that they are having some discussions. I do not know at this point what the outcome is going to be, but I know what we need to do right now is to be sure that our communities and I have had many, many conversations with mayors and others, get the resources out. There is a bottleneck. Because when the resources were sent out, there was no technical assistance, no direction, and so we send money to these communities through the Treasury and the Treasury at the time did not have the capacity to tell them how these funds should be and could be used, and so they did not use them.

And so now what we are seeing now that they have the kind of direction and technical assistance that we have been giving, the resources are coming out much quicker. But we need to get that \$45 billion through the system so that the landlords can be paid. I mean I think that certainly we need to bring in landlords more and have conversations with them about how these resources can be helpful. But I do think that you will see that the numbers are coming up significantly, exponentially, month by month now that people understand what the process is and of course the urgency of June 30th.

Ms. SCHAKOWSKY. So is that amount of money sufficient to absolutely prevent people from being left on the street now? That they could be evicted at this point?

Secretary FUDGE. Well, I would say this. It is sufficient enough to keep people from being evicted on June 30th if the money gets through the system because it can bring most people current. Whether they be renters or whether they have—or whether they are homeowners. But I just do believe that we have to make sure that every community and especially rural and smaller communities who are having the most difficulty because most of them do not have the kinds of staffs to be able to take in these resources

and do not have the capacity within their structures to get these resources out.

So we need to really put more time and attention toward the smaller and rural communities because that is where a lot of this is lacking because they just do not have the capacity to do it.

Ms. SCHAKOWSKY. Let me ask you a different question. I wanted to talk to you about exclusionary zoning rules. The—we heard from Deputy Secretary of the Treasury Walter Adeyemo I think is what it is. That this is a problem and I wondered if you could just discuss that a little bit about exclusionary zoning rules.

Secretary FUDGE. I would be happy to. I mean, I think one of the things that, even having been a mayor myself, some of the things that we do not really think about is we have these zoning ordinances that have been around sometimes for decades and decades that we really do not take a look at. So maybe what we need to do is stop and have a conversation about how exclusionary zoning rules are making it more difficult not only to build new housing but for people to move to communities that they can afford to live in under normal circumstances without the additional cost.

So let's just take something simple like requirements for so many parking spaces, let's say or for a certain width of a driveway or a certain lot size. When I was a mayor, the community right next to mine required you to have a two-acre lot before you could build a new home. It made it almost impossible for a normal, average moderate-income person to live in that community. But that law had been on the books for 50 or 60 years.

And so what we want to do is have conversations, but I want to be clear because I have heard this a number of times. We are not dictating or demanding that anyone change their zoning laws. What we want to do is make them aware of how difficult that they are making it for people to build homes and for us to move people into those communities who need housing.

Ms. SCHAKOWSKY. Perfect, I appreciate that, and my time is up. I yield back.

Chairman YARMUTH. The gentlewoman yields back and now I recognize the gentleman from New York, Mr. Jacobs for five minutes.

Mr. JACOBS. Thank you, Madam Secretary. Great to be here, and I just wanted to mention my first job out of college was working at HUD here in Washington, DC. I worked in the first Bush and Kemp Administration in the Office of Policy Development when we passed the Hope Program. And actually, after several years at HUD, I left and went with a couple to work in public housing communities. Implementing, working to help implement resident management grants for residents taking over management responsibilities and entrepreneurship in public housing, giving them a more vested position in their housing.

So it is great to be here and talking about housing policy. I also owned a small development company in Buffalo, New York doing revitalization of older structures in downtown Buffalo.

I just wanted to, as we are Representatives representing areas throughout the country, I just wanted to relay something recently that had come up in my area. As we talk about the need for more affordable housing and additional public housing, additional aid to

public housing. Certainly, I am sure you agree, a lot of affordable housing is still provided by small landlords who own several units, may have a double where they live in one and then lease out the other.

The other day I met a couple. They were immigrants from India, and they had obviously over a good period of time built up a significant real estate holding of affordable residential properties. New York state still has the moratorium on rent and they're at a point now that they have not received rent for well over a year from many of these tenants. And my second point of this is the rental assistance is finally coming through in New York state. But the problem they've been having is they're honoring, of course, the moratorium on mandating rent, but they have financing through Fannie Mae, Freddie Mac, and they have found that there has been no flexibility there to work with them on the other side. You know, they're not receiving rent but there's not any grace period on payments and so forth. So I don't know more about that but I just want to relay a concern.

And then the other thing I would mention is just recently, finally, the Cuomo Administration has got—started to get out money of the rental assistance that came from the federal government. The problem is that that money requires—for the landlord to attain that money, that rental assistance, the tenant has to concede to that. There's really no incentive for the tenant to say I agree. So they have been unable to get any assistance with that. And my concern is, this individual has now been forced to sell several properties to continue to pay the loans on other properties. My concern is we could get to a point if this gets more protracted that we are going to have people turning over the keys to banks and we are going in reverse in terms of housing stock and affordability.

So, I wish I had more specifics about that, but I just wanted to relay that to you. I am supportive of the rental assistance. I understand that we want people to be able to stay in their homes during this crisis, but we do not want to be creating another crisis, a longer-term crisis, as a result.

Secretary FUDGE. I very much agree, and I thank you. And I will make sure that I check. And we will get with you about this because FHA, they should be working with them. Not only have they been instructed to do so but at least since I have been there for sure. But also, we have agreements with our mortgage servicers. We have done everything we believe that we should have done so I need to figure out how they fell through the cracks, and I want to be helpful in any way I can.

And second, tenants, in hindsight, there are probably some things that should have happened differently, but I would say to you that tenants do have an incentive because they will be on the street if they—the whole purpose of this is not only to just keep people in their apartments or homes but to make the landlords whole as well. And so if we are failing on that part then we have some work to do.

Mr. JACOBS. Yes, I will say in New York we are failing on that part. We will never make these landlords whole. And I think there are, unfortunately, some tenants who decide they are going to milk

this as long as they can, and then they will just go somewhere else and there is no consequences on their credit or anything like that.

Secretary FUDGE. We need to look at that then.

Mr. JACOBS. But thank you. I will follow up with you and I yield back.

Chairman YARMUTH. The gentleman yields back.

I now recognize the gentleman from Michigan, Mr. Kildee, for five minutes.

Mr. KILDEE. Thank you, Mr. Chairman and Secretary Fudge. It is good to see you. Thank you for being here.

One area of policy that you and I have both worked on over our years together in Congress has been supporting the older industrial cities in this country, particularly those affected by globalization, by changes in those communities due to trade impacts, technology, et cetera. And I know we share a concern that the places that have been left behind be given the support they need in order to connect to the 21st century economy. I have an initiative in the Ways and Means Committee that creates a new approach to trade adjustment assistance for communities, specifically to provide trade impacted, distressed communities, federal support and technical assistance to help them design and execute an economic redevelopment plan. Essentially, connecting them to the new economy.

One of the goals of the Biden Administration which you are responsible for executing in this budget is to address the issues of inequality in our economy, in our society, and I believe that the economic issues facing our older industrial cities relate to this inequality of opportunity based on place. It often just depends on where you live as to whether or not you have access to opportunities.

So my initiative to provide trade adjustment assistance for communities is one step to begin to correct this. But I know you, through the HUD budget proposal, include a \$10 billion community revitalization fund, specifically to support redevelopment projects in communities that have suffered from chronic disinvestment.

So Madam Secretary, I wonder if you might discuss your vision for this proposal and also comment on how Congress might be helpful in supporting and implementing I think what is a really important effort to create greater equality in our economy.

Secretary FUDGE. I think, if I am not mistaken, I spoke to the mayor of Detroit not too long ago about a Choice Neighborhood Grant. I think it was \$35 million, and I am just doing that off the top of my head, Representative Kildee. But what we are trying to do now is take those kinds of communities and create transformational change. For them to get a \$35 million grant, a one-time \$35, at one time, the planning that went into their project, the way that it is going to be executed is going to be transformational. And I promise you that it is going to make other communities realize what the federal government can do when we have the will to do it and make it happen.

As it relates to the Revitalization Fund, the fund would provide about \$500 million in planning grants, which is something that communities, especially smaller communities, do not have the capacity to do. So we are going to make sure that the planning is done, and then we are going to provide about almost \$10 billion in implementation funds for these community investment projects. So

I think that you will see, once we can get through this process and if, in fact, this budget and the President's Jobs Plan is approved, you will see a significant difference in the resources that are going to be available to do the things that you are talking about doing. And I would love to see your plan, quite frankly.

Mr. KILDEE. I really appreciate that. We see with trade adjustment assistance a specific set of targeted communities that have been chronically left behind due to the massive changes in our economy related to trade and technology but as you know, one of the big challenges that these communities face, and so I am so pleased to hear the way you conceptualize this program, is that the communities themselves, the local government capacity, even the private sector capacity is often quite thin. And of course, we have this expectation that all communities need is the resource. They do need financial resources, public and private capital. But in order to put together an effective strategy they need technical help, technical support. And I spent a lot of my career before coming to Congress working in older communities that are struggling and I think it is important that the federal government recognize that. And so that is why I am pleased that this effort will address that. So thank you for that.

Secretary FUDGE. Thank you. And of course, you know, I am very aware. My hometown is Cleveland.

Mr. KILDEE. Right.

Secretary FUDGE. And so we have much in common. So thank you.

Mr. KILDEE. Thank you. Madam Secretary, thanks for your work. Mr. Chair, I yield back.

Chairman YARMUTH. The gentleman yields back.

I now recognize the gentleman from Texas, Dr. Burgess, for five minutes.

OK. Then I now recognize the gentleman from Virginia, Mr. Good, for five minutes.

OK. We will not start the clock on you until you are ready.

Mr. GOOD. Thank you, Secretary Fudge, for being with us. Thank you, Chairman, for recognizing me this morning. And I appreciate all of my colleagues' input as well.

Secretary Fudge, earlier, the Ranking Member mentioned the Biden-Harris border crisis in his remarks, and I wanted to followup on that and to reiterate what he asked about. I think it is safe to say the Biden Agenda is in shambles in many ways and particularly as it pertains to the disaster at the border and the failure to enforce our existing immigration laws. HUD recently issued a guidance stating that the Agency is not requiring applicants to provide Social Security numbers with the submission of their emergency housing voucher applications which is in violation of existing law. Obviously, this will act as an incentive or a further incentive for more illegal border crossings. And while the so called borders are Vice President Harris has timidly asked illegal immigrants not to come across the border, the policy of this Administration in fact welcomes illegal immigrants with open arms, seeks to accommodate and facilitate those crossings instead of preventing those, and these policies will further overrun our public housing system.

Secretary Fudge, Vice President Harris's failure in leadership as border czar has directly resulted in your Department being forced to prioritize illegal immigrants over Americans, American taxpayers. Do you plan on confronting her for her failure of leadership in this regard?

Secretary FUDGE. First off, sir, let me just be very clear. I am not going to allow you to continue to be dishonest about what we are doing. I represent HUD. I do not represent Homeland Security. I represent HUD. And I have said and I said to your Ranking Member and I will say to you, sir, we are not, have not, and will not prioritize illegal aliens of any kind over American citizens, and I very much resent that you continue to say it.

Mr. GOOD. Well, if American citizens have to provide Social Security numbers to apply for these vouchers and illegal aliens do not, how is that no prioritizing illegal aliens?

Secretary FUDGE. It is not that they do not. I have said and I will repeat myself, that they are required to provide information. The Public Housing Authority—

Mr. GOOD. Excuse me, what you said was that they could get the voucher and then they are supposed to provide the Social Security number later at some point in time and you did not—

Secretary FUDGE. Correct.

Mr. GOOD. When is the requirement they would have to do that by and how long did it take?

Secretary FUDGE. As soon as the Public Housing Authority—

Mr. GOOD. You did not have an answer. You did not have an answer for us on when they would have to provide that Social Security number after receiving the voucher and how long that would take.

Secretary FUDGE. And I said I would get back to you with that number.

Mr. GOOD. So it seems like we are providing the voucher first without the Social Security number but then we are saying they have to get back to us with the Social Security number. What was the rationale behind HUD's guidance to make these housing benefits less secure by not requiring in advance in order to receive the voucher the Social Security number for these applicants?

Secretary FUDGE. I do not believe that they are less secure.

Mr. GOOD. Why would someone not be able to provide a Social Security number at the time of application?

Secretary FUDGE. That is a process that is put in place by our Public Housing Authorities. I do not know. I said—

Mr. GOOD. Is there any reason why a person who has a Social Security number would not be able to provide that at the time of application?

Secretary FUDGE. Absolutely. Do you know homeless people do not carry around wallets? People who sleep on the streets—

Mr. GOOD. So you are suggesting—

Secretary FUDGE [continuing]. often have no identification at all. Do you have a Social Security card in your pocket? I do not.

Mr. GOOD. I asked can they provide a Social Security number.

Secretary FUDGE. As I said to you, most homeless people have many issues. Besides being homeless, many of them—

Mr. GOOD. Let me change gears. Excuse me. Let me change gears for a moment, the remaining minute that I have.

The President's budget requests over \$800 million for climate initiatives pushed by the liberal leads and the progressive Democrats. How do you think these climate priorities help hardworking families who are simply trying to put food on the table?

Secretary FUDGE. I think that they help because if you live in Louisiana or Mississippi or Alabama and you have been hit by a bad storm, you want to be sure that when you rebuild that you will not be in the same situation again.

Mr. GOOD. As a former mayor, and you mentioned this previously, this budget proposes to use federal dollars to coerce local governments into changing their zoning land use and development policy regulation most egregiously through the AFFH initiative. A federal law actually prohibits the conditioning of grants on a state or local government adopting, continuing, or discontinuing any public policy regulation or law. It is disappointing that this Administration would propose this in spite of the laws. We do not have time for you to answer. But thank you, and I yield back, Mr. Chairman.

Chairman YARMUTH. Thanks.

Secretary, would you like to answer that question?

Secretary FUDGE. No.

Chairman YARMUTH. OK. The gentleman's time has expired.

I now recognize the gentleman from Nevada, Mr. Horsford, for five minutes.

Mr. HORSFORD. Thank you, Mr. Chairman. Chairman Yarmuth. I want to thank you for holding this hearing. Secretary Fudge, it is great to see you. We miss you, and the congressional Black Caucus is especially proud of your confirmation.

I wanted to allow an opportunity for the record to be clarified. The Ranking Member implied, as he calls it the Biden Bailout Bill, it is really the American Rescue Plan, does not fully support funding for veteran housing. However, the information that I have is that it is \$2.1 billion in this current budget proposal which is an increase of \$335 million or 14.5 percent from last fiscal year. So, Madam Secretary, can you talk about the coordination between HUD and the VA and the allocation of this investment of more than \$2.1 billion of funding?

Secretary FUDGE. Thank you so very much for allowing me the time.

There are currently 22,000 veteran vouchers that are unused and still available. That is why we did not necessarily need to put in the budget the increase. The resources are there. We are just not asking for any more at this stage because we have vouchers available and the VA has vouchers. The problem is, Mr. Horsford, is that for some time, just as with HUD, VA over the last four years also did not have the capacity to make sure that we got the vouchers out. And so now that is happening because people are put in place to make sure that happens.

Mr. HORSFORD. Thank you. And also, several of my colleagues on the other side have criticized the programs of the Housing and Urban Development, despite the fact that most of their criticism is of the former HUD Secretary Ben Carson and the prior Adminis-

tration, and so I would just urge them to take responsibility for their own actions of what they did to weaken HUD during the prior Administration.

Madam Secretary, you recently spoke in an interview about the role that student loan debt plays in limiting homeownership for Black people. Black people are especially impacted by student loan debt, while 29 percent of bachelor's degree recipients in 2016 graduated without debt; only 14 percent of Black graduates were able to do so. This debt keeps people from saving up for a down payment and qualifying for home loans. The racial disparity in homeownership and education is evident as the homeownership rate for Black people who graduated from college is only 3.2 percentage points higher than that of white high school dropouts. So obtaining an education should open doors and improve quality of life, not put up barriers from building wealth for themselves and future generations. So how does the requested budget support HUD's efforts to increase Black ownership? And what specific tools within HUD currently exist to promote and support homeownership as a part of infrastructure in our country?

Secretary FUDGE. The first thing about homeownership is we have put in this budget \$100 million to assist in first-time homeowners. And what we have found, and I am glad you mentioned the student debt piece, what we have found is that most people of color come out of school with student debt that amounts to almost \$60,000 where non people of color come out with less than half that amount. And what HUD has systematically done through FHA is weight that student debt higher than any other kind of credit. And so it has prevented people who are poor or people of color who come out with significant amounts of debt from being creditworthy and getting a loan. And so what we have done is level the playing field there.

As well as we are looking at how we assess credit. We look at the credit reporting agencies, et cetera. We know that there is discrimination built into that process.

The third thing we are doing and I am excited about it, is that we are looking at how we appraise properties.

And fourth, and probably last about this, we have historically disinvested in poor neighborhoods because we will not give loans less than \$75,000. So if you have a neighborhood that has a lot of housing that is empty and you can get it for \$20,000 or \$30,000 or \$50,000, we will not loan you the money to do it. And so what we have done is created blight by not investing in these communities and allowing people to buy these homes. So those are just kind of in a nutshell the things we are doing.

Mr. HORSFORD. Thank you, Madam Secretary. I look forward to working with you. We have a Choice neighborhood in our district that I look forward to partnering with HUD on and really appreciate your leadership. And I would just encourage my colleagues, let's work together for the American people. This is not a bailout bill. It is the American Rescue Plan. It is for all Americans. Your constituents benefit, Mr. Smith, just like mine. Thank you, and I yield back.

Chairman YARMUTH. The gentleman's time has expired.

I now recognize the gentleman from Wisconsin, Mr. Grothman, for five minutes.

Mr. GROTHAM. Welcome back to the House.

Secretary FUDGE. Thank you.

Mr. GROTHAM. I am glad to see your face.

OK. A couple of quick questions. I personally believe that people are coming here illegally and are winding up in low-income housing. But I am going to ask you this question. As far as I can tell, about 70,000 people a month are crossing the border who we would not necessarily want here or are not picking, either on asylum claims or just on what they call got-aways. Will you acknowledge that if we are getting 70,000 people a month coming across the southern border, that part of the housing crisis, if we do have a housing crisis or a housing shortage is because of those 70,000 people?

Secretary FUDGE. No, sir. I would not acknowledge that. We had a housing crisis long before the border crisis. And second, I do not know how many people come across the border.

Mr. GROTHAM. OK. Well, the Vice President went down to the border. She asked the border patrol, and they tell her.

OK. I hear from, when I tour the low-income housing in my district, that some of the people moving into the low-income housing are moving there from their parents' house. Does that ever happen?

Secretary FUDGE. I have no idea.

Mr. GROTHAM. Well, I guess the question I am trying to say is to me, if I am a 24-year-old or I am a 24-year-old with a child and living with my mother, I am not sure I need subsidized housing because I already have housing. And a lot of people do live with their parents. Do you think under any circumstances people who have a bedroom and are living with their parents should move into subsidized housing?

Secretary FUDGE. Sir, I cannot make those decisions for people, how they should live their lives.

Mr. GROTHAM. OK. Next question.

I realize section 42 is part of the Internal Revenue Code, but it is a big part of low-income housing assistance in this country. I receive complaints both from individuals and people who build apartments in that they feel the section 42 housing is much superior to housing that is not low-income. In other words, you are giving people who are low income superior housing to people who do not. Could you comment on this? And I also feel the Section 42 housing gives large tax credits to sometimes very wealthy people. So you are benefiting a lot of very wealthy people and building units that are, whether I talk to the tenants or the builders of the properties, you are giving superior quality housing to people in the low-income brackets. Could you comment on section 42, and do you think I am right in that?

Secretary FUDGE. No. Section 42 comes under the Treasury Department.

Mr. GROTHAM. Right.

Secretary FUDGE. Low-income housing——

Mr. GROTHAM. I know. I said it is the IRS.

Secretary FUDGE. That is a question for Treasury.

Mr. GROTHAM. Well, I mean, it is such a big part of the low-income housing in this country—

Secretary FUDGE. Except for that I do not control it. Neither does HUD.

Mr. GROTHAM. So you are not going to comment.

OK. This is kind of a larger question. I think, well, I will say this about section 42. Would you mind if we got rid of section 42 and gave it to you so that all the low-income housing programs are under one roof? Section 42 is such a large amount of what we do for low-income housing in the country.

Secretary FUDGE. If Congress within its resources wants to give me those resources, fine with me.

Mr. GROTHAM. OK. There is an author I know who talk about, you know, difficult areas. Actually, not even in this country. But in his country, he felt that they had given people, no matter how you behaved, you got all the food you want, free medical care, and free housing. And he felt a lot of the difficulties in his country were due to the fact that people, no matter how they behaved, got medical care, all the medical care they need, all the food they need, and all the housing they need. Do you think that could be a problem in this country?

Secretary FUDGE. No.

Mr. GROTHAM. It is not a problem if however you behave you get those three things?

Secretary FUDGE. I know a whole lot of people that do not have healthcare.

Mr. GROTHAM. Well, that is probably true but, I mean, people who get on Medicaid do have healthcare; correct?

Secretary FUDGE. Well, people who get on Medicaid, yes, they do have Medicaid; correct.

Mr. GROTHAM. That is right. That would be called having medical care. Right, right, right.

Secretary FUDGE. If you are on Medicaid; correct.

Mr. GROTHAM. That is right.

So do you see a problem in society that no matter how you behave, if we set up a society in which you always get housing, food, and medical care, do you think that is a problem, maybe a problem in the family structure you are encouraging?

Secretary FUDGE. That is not what our society does.

Mr. GROTHAM. I am under the impression that is what it does.

OK. I guess those are my questions. I wish you would think about it because I think a lot of our problems in society stem from our safety net and maybe the one that is administered the worst is the housing part of the safety net. But thank you.

Chairman YARMUTH. The gentleman's time has expired.

I now recognize the gentlewoman from California, Ms. Lee, for five minutes.

Ms. LEE. Thank you, Mr. Chairman, for this hearing.

Good to see you, Madam Secretary. And congratulations. We miss you but you are the right woman for the right time.

Secretary FUDGE. Thank you.

Ms. LEE. First of all, let me thank you for answering these questions with clarity. You are being very gracious in how you answer them. But I just have to be, and I know you are very direct. I am

very direct, and I have to just say to you, the last Administration, it was disastrous. It totally neglected our housing assistance programs and I hope those who are asking you these questions recognize the fact that the last Administration did nothing for addressing all of the issues that our secretary now is trying to address by having to repair the damage of the last four years and still provide for affordable, safe, and decent housing. And I know this very well.

In my district, for example, we suffer from challenges with homeless and housing insecurity. The Bay Area accounts for 30 percent of the total levels of homelessness in the United States. We have the nation's highest rate of unhoused people at 73 percent. It grew exponentially during the last Administration. This number has grown almost four times faster than the overall regional population.

And so I wanted to ask you just in terms of specific approaches HUD is taking to deal with specific challenges of high-cost areas and making sure, and it is primarily people of color, do not face an unequal burden, the unequal burden of housing costs.

And then second, again, because of the neglect, only one in four households eligible for rental assistance receive any help from the federal government, specifically Black and Brown people, almost two-thirds of renters with severe cost burdens are people of color. President Biden thankfully has proposed expanding housing support to all eligible households, and his budget proposes an additional 200,000 vouchers to begin.

And so I just wanted to kind of get your sense of how the scale of assistance will fulfill the promise to make these vouchers available to everyone who needs them. And so thank you again very much for your leadership and for being here.

Secretary FUDGE. Thank you, my friend. I appreciate it.

Let me say this, Ms. Lee. California probably is doing the best across the country in dealing with this homeless situation because they have by far the lion's share of homeless people. So one of the things that the mayors are doing right now, and I have talked to Mayor Breed and I have talked to Garcetti, and mayors all across California. And they are taking advantage of the \$5 billion that Congress allocated to create housing. So they are doing things like buying motels and hotels. They are finding ways to get homeless people out of congregate shelters. They are finding ways to get people on the street because they have done such a good job at identifying where they are, where we find them, what stakeholders work with them best. And so they are working with our on-the-ground stakeholders and they are making tremendous strides, whether it is in L.A. or Santa Monica or Oakland, I am really happy about what is happening there. It is a big job and there is still much to do but they started planning early. And so their plans are working now instead of what some of your colleagues are saying, you know, we just throw money at people. They planned. You cannot just take every dollar and just go out and just willy nilly decide, oh, I'm going to submit it here. It takes planning, and your communities are doing it very, very well.

Ms. LEE. Also, Madam Secretary, just in terms of the rental assistance as it relates to vouchers, and I am so pleased to see the commitment to expand now and add an additional 200,000 vouch-

ers, have you all decided how to make sure that these vouchers are going to be spread around so everyone who needs them will receive them?

Secretary FUDGE. What we are doing now is trying to make sure that instead of just using the formulas that we normally use, is to get them to the communities who have the greatest needs. And so you are not going to see a standard formula. We are going to start right now even transferring some of those vouchers now to places that are out of them already. And many of those places happen to be in California, quite frankly. But what we are also seeing is that the cost of housing in California is so high that it is creating problems just being able to get people into housing because the costs are rising so much. And we know this across the country. There is no place in the country today where a person making a minimum wage can afford a two-bedroom apartment. Nowhere. And when you look at the continually rising cost of housing across this country, even though we have vouchers, it is still hard to place people because so many people will not accept the voucher. So it is kind of a catch-22 in some respects. But we are moving vouchers to places where we know they have used them and need more.

Ms. LEE. Thank you very much. Thank you, Mr. Chairman. I have a lot of hope that finally we will be able to address many of the structural issues as it relates to housing. Thank you, Madam Secretary.

Chairman YARMUTH. The gentlewoman's time has expired.

I now recognize the gentleman from Georgia, Mr. Carter, for five minutes.

Mr. CARTER. Thank you, Mr. Chairman. And thank you, Madam Secretary, for being here. I appreciate your work here.

Madam Secretary, Congress over the past six months has appropriated \$46 billion in rental assistance. And I believe it was last month, Republicans on the Financial Services Committee wrote to the Treasury requesting an accounting of all emergency rental assistance funds that had been distributed. And the Treasury Department has not provided that, those figures to us. Now, I understand you are not with Treasury; however, this money was appropriated to ultimately end up in your Department and to go for something that you have jurisdiction over and that is the rental assistance. Can you provide us with an update regarding how much of the \$46 billion has already been provided to renters to settle back rent debts and protect renters from facing eviction?

Secretary FUDGE. I can get that information for you from Treasury. I would be happy to.

Mr. CARTER. Thank you. Because, obviously, Treasury is ignoring us, but I am sure—

Secretary FUDGE. I would be happy to get whatever they have.

Mr. CARTER. Thank you very much for that.

On the other side of the issue with the evictions, and none of us want to see renters evicted because of what has happened. However, we have to be cognitive of the fact that there is another side of that and that includes the landlords and the property owners. The CDC eviction moratorium expires a week from today. How many of these landlords, and many of these landlords I should say are small business owners and they depend on this income on their

rental properties. What is HUD doing to ensure that debts are paid to property owners and how fraud can be prevented?

Secretary FUDGE. Well, we are providing all the assistance, not just to Treasury to assist them, but our staffs are in place. We are having weekly meetings with landlords. We have website information that any of them can access. We have our staff available to answer any questions. And we are speaking directly with local and state governments as to how they can get the resources out faster because the majority of the money has actually been allocated. It is just that these communities, especially smaller and rural ones, are not getting them out fast enough. Now, some major cities do, but part of the problem was the capacity to get it out. Some of these committees just do not have the people to make sure it happens properly so that is where we are stepping in at HUD and trying to provide that kind of assistance.

Mr. CARTER. And I appreciate that, and I am not going to dispute what you said because I think you are right. We have gotten calls in our office from so many people who are landlords and wondering when they are going to get the rent and when it is going to happen. And there have been bottlenecks in the process. There have been bottlenecks at the state level as well. We need to understand that. And at the local level.

Secretary FUDGE. Most of it is state, quite frankly.

Mr. CARTER. Thank you. And that is what we have experienced in Georgia, so I will tell you that. But nevertheless, thank you for intervening in that and making sure that that happens. That is very important.

I want to switch gears now and talk about homelessness, and specifically to housing first, which gives homeless housing. And that is something I think we all agree with that needs to happen. But when we look at the root cause of homelessness, we understand that a lot of it has to do with addiction. A lot of it has to do with mental illnesses. And we all want to shift the nation's homelessness policy toward better outcomes. I think we all agree on that. And unfortunately, it appears that in certain areas we are not making the progress that we hope to make, especially when you look at a lot of our major cities. Perhaps there is a need to change the approach. Perhaps there is a need to change our approach to the issue. Would you support a treatment first policy which provides housing but also requires participation in drug treatment, mental health, and employment programs?

Secretary FUDGE. Well, I do not know that I would support requiring it because I think that this Congress has also, even when I was a member, did not believe that we should force people to do things.

Mr. CARTER. Not even treatment? Not even getting mental health or addiction treatment?

Secretary FUDGE. I do not know that we can legally do that. That is the first thing. Second, I think that, yes, we need to find ways to change our approach in some ways. I think we do need to address the root issues. I do not disagree with that at all. But I do not know that mandating that someone get treatment, first off, is constitutional.

Mr. CARTER. So if there is someone living in a HUD building, a HUD-provided home and we know that they have an addiction problem, we know that they have a mental health problem, we do not have any recourse whatsoever?

Secretary FUDGE. I do not believe so, sir. I mean, this is still a country—we talked about it earlier—we follow the law, and we follow the Constitution. And I do not believe that either of those give us that authority.

Mr. CARTER. Well, would you be in favor of a treatment first program though? Obviously, I do not want us spinning our wheels. I want to help these people. And as a healthcare professional, as a pharmacist, I can tell you addiction is a big problem and it is one of the biggest problems we have with homelessness. So I hope—

Secretary FUDGE. I certainly support it. I certainly support treatment. Oh, absolutely.

Mr. CARTER. I understand. But somehow we have got to make this happen. I do not want the heavy hand of government intervening either; however, I hope that we can work toward some kind of a solution to help these people get the help that they need.

Secretary FUDGE. I am certainly happy to talk to you about it. I would love for it to happen as well.

Chairman YARMUTH. The gentleman's time has expired.

Mr. CARTER. Thank you.

Chairman YARMUTH. I now recognize the gentlewoman from California, Ms. Chu, for five minutes.

Ms. CHU. Thank you. Secretary Fudge, it is so thrilling to see you up here before our Committee. Thank you for putting forth—

Secretary FUDGE. Thank you.

Ms. CHU [continuing]. a budget that reflects the tremendous housing needs facing our country. And it is no accident that both Congressmember Barbara Lee and I are asking about homelessness because in California, it is a huge issue and certainly in Southern California it is. And in fact, despite moving more people than ever into permanent housing, the 2020 homeless count in Los Angeles County, which includes my district, increased 13 percent year after year. Housing is becoming less affordable and more of our neighbors are falling into homeless each year than we can actually house. But there are still examples of progress, including in a city in my district, Pasadena, which has seen homelessness decrease by 65 percent since 2011 thanks to investments in permanent, supportive housing.

So I am glad to see that the Administration is requesting \$3.5 billion for homeless assistance in Fiscal Year 2022, including \$3.1 billion to increase funding for the continuum of care program, which is our main tool to reduce homelessness over the long term. Can you explain how you plan to invest this increase in continuum of care funding between renewals and new grants and talk about the importance of the local partnership model and increasing homelessness, particularly in the wake of the COVID pandemic?

Secretary FUDGE. Thank you so much. It is good to see you as well.

We know that our continuums of care program funds do help us with this program. We could not do it without the assistance of people on the ground. And so what we are doing is giving grants.

And in some instances we are working with people who we know have a track record of being successful in addressing the homelessness issue because I think sometimes people also forget that when homelessness becomes a way of life for some people, these tent communities, et cetera, they become very entrenched in wanting to be homeless because that is their safe place.

And so it takes people with real skill to help people get off the street. I mean, they literally create their own hierarchies of who runs it and what they do, especially with veterans because of their training. So it is very difficult in some instances for them to trust the government, to do what is best for them. So we could not do it without the continuums of care. I appreciate the fact that you recognize that this \$3.5 billion is significant. And what we are hoping is that we can serve as many as \$750,000 people with these resources.

Ms. CHU. Thank you.

And Secretary FUDGE, as a Member of the House, Ways and Means Committee, I am interested in finding new revenue streams to support affordable housing construction because we need to invest in a housing supply to make housing more affordable. HUD's congressional budget justification estimates that Fannie and Freddie Mac will contribute \$371 million to the National Health and trust fund this year. Yet advocates and other Members of Congress, including myself, have asked for \$45 billion for the trust fund including \$26 billion reserved for permanent supportive housing.

Has the Administration given thought to additional ways to raise revenue to direct to the trust fund?

Secretary FUDGE. Well, you know, a trust fund is funded through GSEs, through Fannie and Freddie. And we are looking at how we can make it easier and how we can make it more effective, so I think that the Administration is looking at it, but just as a reminder, this is a top line kind of a budget. We have not gotten down into the real specifics at this stage or if some of the things that you are asking about. But the good thing is that I am on the board that oversees the GSEs and it is something that is a conversation we will take up.

Ms. CHU. Thanks. And to the question about people's addiction and mental illness, I have legislation on sober living homes for recovery residences. Do you see that it might be possible to formalize a more permanent funding stream for these kinds of facilities, including formalizing HUD's role in their oversight, so that we could work together on such facilities?

Secretary FUDGE. I would be happy to have a conversation with you about it. I think it is a great idea. Let's talk about it. You know, I cannot make a commitment at this point, but I would be really happy to discuss it with you.

Ms. CHU. That would be fantastic. Thank you so much. And I yield back.

Chairman YARMUTH. The gentlewoman yields back the balance of her time.

And now I recognize the gentleman from California, Mr. Obernolte, for five minutes.

Mr. OBERNOLTE. Thank you very much, Mr. Chairman. And Madam Secretary, congratulations on the position. I know that as a former Member of Congress, you and I share a passion for making sure that the resources that we have to use to solve problems like homelessness are used as effectively as possible.

And to that end I wanted to ask a question that has been kind of vexing me. I represent among the cities in my district, the city of Hesperia that has been involved in a lawsuit for the last five years with the Department. They had an ordinance that they passed over five years ago—

Ms. CHU. Well, I was able to actually get that third one in there and the funny thing is she said exactly—

Mr. OBERNOLTE. Thank you. Over five years ago, the city had an ordinance on the books that allowed landlords to evict tenants that were convicted of crimes committed around rental properties. The Department sued the city council, later modified that ordinance to make it voluntary instead of compulsory, and then later rescinded the ordinance entirely. And yet here we are five years later still in court over that ordinance. And I am struggling to understand why it is taking up city resources, it is taking up Department resources, and I am just struggling to understand why the Department would be continuing to pursue litigation about that.

Secretary FUDGE. Well, I am going to be just very honest with you. I do not know about the lawsuit. I will find out about it. And if there is something we can do to bring it to some conclusion, I am happy to try to work it out.

Mr. OBERNOLTE. OK. I appreciate that. I think it would be probably best for all involved and would give us resources to do other things with.

Second question for you concerns those resources. In my district, I represent a lot of military bases, and therefore, I represent a lot of veterans. And as you know, we have a pervasive problem with homelessness in veterans that we have been struggling to solve. I was a little dismayed to see that the budget that you are proposing does not include dedicated funding for the VA Supportive Housing Program and I wondered if you could tell us why that was not a priority.

Secretary FUDGE. Well, it is a priority. We have 22,000 available VA vouchers right now that are going to continue to be available. So we believe that there are enough vouchers in the system. Twenty-two thousand that are unused. And we are working with the VA to try to be sure that we can get those vouchers out to the people who need them. But it is a process that really goes through VA. It really does not come through HUD. We provide the vouchers because it is housing. But contacting the veterans to get them into the VASH program really goes through the VA.

Mr. OBERNOLTE. Right. I think we share a goal of making sure that those vouchers are issued to anyone that needs them.

Secretary FUDGE. Absolutely.

Mr. OBERNOLTE. Just to point out as I am sure you are aware, the VASH program includes case management which is a lot more critical than just giving someone a voucher. It is making sure that they are on a path to transitioning back into a housing situation. And I think that that is one of the things that I really value about

that program. So if we could work together to make that happen I think it would be a benefit not just to the district but to everybody.

Secretary FUDGE. We would be happy to but that is also part of the problem. They have not had the case managers. Their numbers were down so much, they did not have the case managers to get to the vouchers. I agree 100 percent.

Mr. OBERNOLTE. Right. Well, thank you very much. It is very nice to meet you. I look forward to working with you.

Secretary FUDGE. My pleasure.

Mr. OBERNOLTE. I yield back, Mr. Chair.

Secretary FUDGE. Please. Thank you.

Chairman YARMUTH. The gentleman yields back the balance of his time.

I now recognize the gentlewoman from the U.S. Virgin Islands, Ms. Plaskett, for five minutes.

Ms. PLASKETT. Thank you, Mr. Chairman. And thank you so much, Madam Secretary for being here. It is an honor to question you this morning on the work that you all are doing and the tremendous mission that you have to accomplish at HUD.

I wanted to talk with you, you know, it is so interesting that the phrase HUD is urban development, but HUD as well has so much work that is done in rural areas as well. And so I wanted to ask you about funding that is available for the home funds which can be used for construction and rehabilitation housing for homeownership in areas where adequate supply or substandard houses are available. What is your commitment to ensuring that those funds are necessarily going to those communities that have not seen it as yet?

Secretary FUDGE. I commit to you I am going look at it and figure out what we can do to be helpful. It is certainly a pleasure to see you, and obviously, we have had conversations in the past about the Virgin Islands in particular, and I am more than happy to work with you and your staff to be sure that you get what is appropriate for your district.

Ms. PLASKETT. Thank you. You know, I am concerned about areas like the Virgin Islands, those rural areas which really need the technical support. You know, I heard a colleague talking additionally about the Choice neighborhoods. These are grant programs and oftentimes rural areas, undeserved areas do not have the technical support to be able to meet the criteria for some of these grants. Their communities very much fit the mission of the program but they do not have the support for the grants. So having your commitment with that would be very much appreciated.

The other thing I wanted to talk about, Congressman Price brought this up related to Puerto Rico and you expanded it—thank you very much for that—to talk about the Virgin Islands. And I want to commend HUD under your leadership for releasing long-awaited disaster recovery funds for the Virgin Islands and Puerto Rico. After the devastation of the 2017 hurricanes of Irma and Maria, this Congress appropriated over \$21 billion to the Virgin Islands and Puerto Rico. Over \$22 billion. And yet we were unable to see that for the entirety of the Trump Administration. There was

always some hiccups and always additional publication conditions that inhibited us from receiving those funds.

But one of the things now that we have as a problem that I was hoping you would address, or your staff, I could talk with them about, is that currently there are only three HUD staffers serving the Virgin Islands and Puerto Rico, at least in terms of community planning and development programs. That is for over \$22 billion. And the islands do not have the type of support I believe necessary to process payments in a timely manner.

In addition, for the Virgin Islands, anything over \$5 million has to go to HUD and it takes them weeks in order to review the pay packages. Are there any provisions included in this budget that could help raise HUD staffing levels, including for the Virgin Islands and Puerto Rico related to the implementation of CDBG-DR funding?

Secretary FUDGE. Absolutely. And I am so very pleased that you asked that question.

In recent years, we have seen about a 33 percent reduction in staff for our financial, fiscal, and program integrity functions. Those are the people that would be staffing. Thirty-three percent. That is why this budget is requesting a significant increase in staffing. If we are not put in a position to carry out the mission in a way that is urgent and efficient we are always going to be behind the eight-ball. I have got great staff. Do not get me wrong. The staff we have is outstanding, but they can only do so much. And so if we build our capacity within the agency to do the kinds of things that you are talking about, we will be a much better agency. So that is why we have made this request. But also do know that at some point in the last couple of years we reached our very lowest. Very lowest. Six thousand employees. At one point, HUD had 20,000 employees. So you can imagine what is happening. And I say again, at one point, HUD was 7 percent of the federal discretionary budget. Today, it is less than 1 percent.

Ms. PLASKETT. Well, thank you for that.

Mr. Chairman, as someone who grew up in public housing and understand its importance to allow families like my own parents to be able to save to then purchase a home which was then used to leverage to allow me to go to school, I appreciate the support that this Administration is giving to providing not a safety net but a means to bounce up in this country. Thank you very much.

Secretary FUDGE. Thank you.

Chairman YARMUTH. The gentlewoman's time has expired.

Now, I recognize the gentleman from Florida, Mr. Donalds, for five minutes.

Mr. DONALDS. Thank you, Mr. Chairman and Secretary Fudge. Thank you for being here. I am new so we never got a chance to served together but congratulations on the appointment. And let's just go ahead and get to it.

A couple things before I get into questions. I know that in Committee we were discussing some of the potential inflationary impacts going on in the housing market. I do think it is important for us to understand that when HUD, frankly, no matter what administration is in charge, enters into the marketplace for greening projects or even for construction projects, they are actually pur-

chasing stock of material that is already scarce in the going marketplace. So one of my concerns is that the purchasing activity of HUD under the budget recommendation is actually going to exacerbate our inflationary problems when it comes to housing which is going to have a direct corollary impact on the actual price of housing in a lot of communities because if you do not have as much lumber available, concrete available, windows available, et cetera, because the federal government is using its purchasing power to engage and gobble up these supplies faster than GCs on the ground can gobble them up, that creates a real issue for the market overall.

The second issue I would add is, and I would say this is probably not under your direct purview being the Secretary of HUD, but our immigration enforcement policies right now are not helping the matter because if the numbers are correct that we are taking in about 700,000 people into the United States illegally over this year already, I mean, where are they going to go? We already know we have an affordable housing shortfall but if we are bringing people into the country illegally and there is already a housing shortfall, that only further exacerbates the housing issues we are seeing across the United States. So I would think that not so much your purview but the Administration has to take a long look at this because if you try to bring these two things together, that policy does not help, frankly, homeless Americans and other Americans trying to find affordable housing here in the United States. If you bring more people into the United States, I mean, there is only but so much housing available. Bringing more people in while not being able to have the ability to expand the stock because of inflationary pressures and other things like that is not going to help Americans in the long run.

But I do want to focus on the part of the budget that deals with exclusionary zoning, local zoning. I see that the Administration has dollars committed to that, but the budget request does not really provide much detail. Can you expand upon the detail of how this grant program is going to work dealing with exclusionary zoning issues on a local level?

Secretary FUDGE. Well, as I was explaining earlier, what we are doing is we are asking communities to look at their zoning. I was a mayor of a city. I had zoning that had been there 100 years. And some of that zoning, because we never had looked at it, was creating barriers to and/or increasing the cost of building, whether it be housing or businesses or whatever. So what we are saying to them is let's have a conversation about the zoning that may, in fact, be prohibiting not only new housing and new businesses but keeping people who under normal circumstances that could afford to purchase a home in your community or build a home in your community, let's help them do that, to move to communities of opportunity. And so that is what it is about. It is not dictating. It is not mandating. It is saying, let's put the resources in place to have people actually take a look. So maybe it is the planning commission. Maybe it is a group of people, a citizens group. But we are putting resources to assist them in taking a look at their zoning. That is basically all it is.

Mr. DONALDS. So, Madam Secretary, and I understand the conversations that exist. I was a state legislator before I came here. I would have conversations with our local county commission because what would happen is you would get county commissioners and people in the affordable housing space would say the state needs to put more dollars into affordable housing. And I would look right back at them saying, if you are going to really deal with affordable housing issues, you have to deal with unit per acre. And the only entity politically that deals with that are local county commissions and city councils. They have to look at their zoning rules.

But hearing what you are saying, can you commit to the committee that the proposal is not going to force local governments into a zoning parameter that these dollars in the budget are really just to foster a conversation? Is that—

Secretary FUDGE. There is no way we can force them to do it.

Mr. DONALDS. All right. I just want to make sure that we are not—because, you know, my concern is that frankly it is not the role of any federal agency or our government writ large to put mandated pressure on local governments associated with zoning. That is something local governments need to figure out for themselves with their citizens and what works best for each one of their individual communities.

Secretary FUDGE. I agree with you 100 percent. Remember, I was the mayor of a city. I would never let someone come in and tell me how to zone my city. And that is what I was saying to some of your colleagues earlier. We should not be mandating what communities and people do with their lives and with their communities. I agree.

I am sorry I did not get to serve with you.

Mr. DONALDS. That is all right. Listen, thanks so much, Madam Secretary, for your time. I appreciate it.

Secretary FUDGE. Thank you.

Chairman YARMUTH. The gentleman's time has expired.

We are going to take just a minute or two break. We think we may have a technical problem that we are trying to resolve, so we can relax for just a minute or two. Why don't we just say five minutes and if anybody needs to take a break you can do that.

[Recess]

Chairman YARMUTH. The Committee will come to order and is now back in session. I now yield five minutes to the gentlewoman from Virginia, Ms. Wexton.

Ms. WEXTON. Thank you, Mr. Chairman. And I thought that the issue that you all were experiencing was that the clock had been—had disappeared from our view here. So, I don't actually have a clock. But I am going to go ahead and set a five-minute timer in any event.

So, thank you, Mr. Chairman, and thank you, Secretary Fudge, for joining us. This is actually the second time I have had the pleasure of hearing from you. You came before us in April in the Subcommittee on Transportation and Housing Appropriations, and it is wonderful to see you again and to see this great budget that you have put together.

Now, before I start with my questions, I do want to take a moment to thank you for two actions that were recently taken by HUD that will go a long way toward preventing discrimination

against vulnerable people in housing. When we spoke back in April, I asked you about the timeline for rescinding the Preserving Community and Neighborhood Choice Rule from the previous Administration. As you may recall, this rule threatened Fair Housing Act protections for millions of people with disabilities and many others. And I am very glad to see that HUD issued an interim final rule that will go into effect at the end of next month to rescind it. So, thank you very much for that.

And thank you also for withdrawing the rule proposed by the previous Administration that would have weakened the Equal Access Rule and prevented transgender people from accessing emergency shelter and housing. As you know, that community is under attack, experiences homelessness, and crises at a much higher rate than the regular population, and were very, very, vulnerable because of the appeal of the Equal Access Rule. So, I want to thank you so much for doing that.

Now, turning now to President Biden's budget request. I was very glad to see that the budget included strong increased funding for Section 811 Supportive Housing for Persons with Disabilities program. Can you talk about how this program will help more individuals with disabilities find housing and continue to live independently?

Secretary FUDGE. Thank you very much. The 811 Program has been increased. We have increased funding for the 811 Program and 202 Senior Program. What we are finding is that persons who are disabled are having as much difficulty as almost any other population finding a place to live. And so, when we put the resources in to build new housing, as well as to provide vouchers for those to put them in other facilities other than our standard public housing facilities, I think that it is going to be a significant change in how we make sure that we are addressing that population. There is about \$270 million to address this issue in and of itself. So, we are very, very happy about the direction that the President wants us to go. And it is more than a \$40 million increase over our last budget.

Ms. WEXTON. Thank you so much. And we have a great need for help for our disabled community in my district and I think in every congressional district. So, this will really go a long way to help. Your budget also includes a large increase in funding for technical assistance at the Office of Policy Development and Research. And you touched on this a little bit, I think, with representative Plaskett. In April we talked about how this technical assistance could help providers who are working to address the needs of transgender people and older LGBTQ adults, as well as other, you know, historically marginalized communities. Can you talk about how this or any other HUD program can help these marginalized communities?

Secretary FUDGE. You broke up at the end. You asked me how?

Ms. WEXTON. How this increase in technical assistance will help traditionally marginalized communities get more access to HUD programs?

Secretary FUDGE. One of the things about our development and research arm, we have been taking a look at the effects. And so, we are putting more money into—to be sure that we are taking a

look in its totality at how we can better address these communities. So, I think it is going to be a significant improvement in how HUD approaches communities, especially communities, transgender communities, and others. I do say that HUD was one of the very first to recognize the problem and address the problem. So, we are really on top of it, probably more than just about any other agency in the federal government.

Ms. WEXTON. Thank you very much. And just I do want to touch on something else that you talked a little bit about today. HUD staffing declined 22 percent during the time from 2010 to 2019. Can you describe the impact of reduced capacity at HUD that it has on grant review, monitoring, oversight, and overall program administration, and how President Biden's proposed budget will help address these issues?

Secretary FUDGE. Well, one of the things that happens is that HUD does get tasked with doing an awful lot of things, but they don't increase our staff. So, we get new funding. We get new programming. But we don't get more staff. So, it just continues to make the problem worse. So, we need—they sometimes will give us temporary housing, but those programs go on for years and years. So, we don't just need the staffing for a short period of time. We need staffing to go throughout at least those programs, which can go five years or 10 years. So, we need permanent staff.

And I think that when you start to take a look at the resources that come through HUD and the amount of people there, the corollary is just so off that any person should be able to look at what we receive in the number of our staff and know that we are having some challenges doing the kind of work we need to do.

Ms. WEXTON. Great. Thank you so much. I see my time has expired so I will yield back.

Chairman YARMUTH. The gentlewoman yields back. I now recognize the gentleman from Iowa, Mr. Feenstra, for five minutes. Apparently, he has given up. I now recognize the gentlewoman from Texas, Ms. Jackson Lee, for five minutes.

Ms. JACKSON LEE. Thank you very much, Mr. Chairman. A very vital and important hearing and thank you to Madam Secretary for hitting the ground running and certainly being so effective by understanding the coequal branches of government and the way in which we can work together as Congress and executive. So, welcome again.

Secretary FUDGE. Thank you.

Ms. JACKSON LEE. Chairman, thank you, and thank the Ranking Member. Let me start, as you well know, we have a short period of time in these sessions, so, I thank you for your answers. But let me, because of my frustration, let me have you just clarify again the Administration's commitment to homeless persons, which in a city like Houston and Harris County we are working, but we are also struggling.

In terms of funding for homeless vets, which as you indicated, the distribution and selection goes to the veterans. But to be very clear that there is no reality to the zeroing out, that there are funding—that you are collaborating with funding for homeless persons and also for homeless vets, which is a great need in Houston and

I want to be able to work with you on that. But Madam Secretary, would you just comment on that, please?

Secretary FUDGE. Yes, thank you for allowing me to make the clarification again. We currently have 22,000 unused veterans' vouchers. The vouchers that are in the system now are continuing. And overall, the budget increases vouchers by 200,000 vouchers, which would include new vouchers for veterans. So there is plenty of vouchers available for veterans.

Ms. JACKSON LEE. What about homeless funding for persons homeless on the street, families, children, that are in our communities?

Secretary FUDGE. Yes, if you remember, Congress did give us \$5 billion to address—well, actually, a total of \$10, \$5 billion for vouchers and \$5 billion to actually put them in housing, as well as this budget asked for an increase as well.

Ms. JACKSON LEE. So, the Administration is on record for recognizing the crisis of homelessness in America and addressing it by increasing their fiscal budget for this timeframe. Is that correct?

Secretary FUDGE. That is correct.

Ms. JACKSON LEE. Let me put in a pitch for Houston in terms of work that we are doing and will need to get with you on those fundings as we move through the process. Thank you. As you well know, our community in Houston and Harris County has suffered enormous devastation from Hurricane Harvey. In the balanced Bipartisan Budget Act of 2018, we were given funding dealing with Community Development Block Grant Mitigation. In fact, we were given about \$4 billion. Unfortunately, we are still, because of inadequate response by the GLO and—that is the Government Land Office, which governs this in the state of Texas, that we are still in the process of distribution. Let me ask you and I ask to submit this letter into the record, June 17, 2021, sent to HUD, Madam Secretary, is that the GLO got \$1 billion, Houston and Harris County each got zero. They are two separate entities, the fourth largest city and the fifth largest county. Would you be able to look into the fact that the GLO wants to give to Houston—excuse me—to Harris County \$700 million and zero to Houston? Which is without justification in light of us having over 50 percent of the damage of Hurricane Harvey.

[Letter submitted for the record follows:]

SHEILA JACKSON LEE

18TH DISTRICT, TEXAS
COMMITTEES:

JUDICIARY

SUBCOMMITTEES:

Chair

Crime, Terrorism, Homeland Security and
Investigations

Immigration and Citizenship

Constitution, Civil Rights, and Civil Liberties

HOMELAND SECURITY

SUBCOMMITTEES:

Cybersecurity, Infrastructure Protection, and Security
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June 17, 2021

The Honorable Marcia L. Fudge
Secretary
Department of Housing and Urban Development
451 7th St, S.W.
Washington, DC 20410

SUBJECT: Harris County and City of Houston CDBG-MIT Funding

Dear Secretary Fudge:

Thank you for your leadership in improving communities across the United States. With the support of President Biden and Vice President Harris, the Department of Housing and Urban Development (HUD) has been a key partner in the fight for equity and justice in housing and community development. In the 18th Congressional District of Harris County over the last 6 years, my constituents have been impacted by 8 federally declared disasters. Specifically, the: Memorial Day Floods (2015), Halloween Floods (2015), Tax Day Floods (2016), Fourth of July/Summer Floods (2016), Hurricane Harvey (2017), Tropical Storm Imelda (2019), COVID-19 Pandemic (2020), and Texas Winter Storm Uri (2021). The Federal government has sent resources to the State of Texas through the General Land Office (GLO) to help us recover; however, my community has yet to receive its fair share of resources. I write to request a review of the most recent decisions regarding Community Development Block Grant mitigation (CDBG-MIT).

I am seeking clarification regarding several recent announcements from the Texas General Land Office (GLO). In the past weeks, the GLO has announced over \$1.0 billion in Community Development Block Grant mitigation (CDBG-MIT) awards from funding made available from the Department of Housing and Urban Development (HUD) to the State of Texas, following congressional appropriations made available from the Bipartisan Budget Act (BBA) of 2018 in response to multiple disasters experienced nationwide in 2015, 2016, and 2017, including Hurricane Harvey (Harvey). Shockingly, neither the City of Houston (City), nor Harris County (County), which includes the City, were awarded any of these CDBG-MIT "awarded" funds, even though both the City and County submitted applications for this funding and despite the fact that our region suffered almost 50% of all damages attributed to Harvey, one of the costliest and destructive storms in our nation's history. This outcome is unacceptable.

Page 2 of 3
Rep. Jackson Lee
June 17, 2021

It is also my understanding that the GLO will seek approval from your office to allocate \$750 million of additional CDBG-MIT funds, allocated to GLO from HUD, directly to Harris County. I have several questions that I, and my constituents, need answers to regarding the background of how we achieved this unfortunate and inequitable outcome, and clarity concerning HUD process and identifiable next actions and steps.

BBA made \$28 billion available in disaster recovery funds and HUD was directed to allocate no less than \$12 billion to mitigation activities nationwide, proportional to the documented needs and damages experienced by those communities. Both the City and County had formerly received proportional amounts (almost 50%) of CDBG-Disaster Recovery (DR) funds, allocated for these qualifying disasters in 2015, 2016, and 2017. The federal government allocated \$4.3 billion in mitigation infrastructure funding to Texas after the damage suffered from Hurricane Harvey. Harris County, including the City of Houston, accounts for nearly half of the assessed damage during that event. When the federal government allocated this funding to the state, they prioritized the most populous and hardest hit city and county in their calculation. But, of the \$4.3 billion in CDBG-MIT funds allocated to the State of Texas (currently administered by GLO through an agreement with HUD) for mitigation activities for these qualifying disasters, including Harvey, both the City and County have, so far, received \$0.

My questions for HUD are as follows:

1. Does the GLO require HUD approval(s) prior to their (GLO) disbursement of any of these "awarded" CDBG-MIT funds?
2. Has the GLO formally submitted a request for HUD approval for disbursement? If so, is this request in the form of an official Action Plan Amendment?
3. If HUD approval(s) is required prior to any disbursement of these CDBG-MIT funds, what is HUD's process for conducting their (HUD) review? Is there a formal HUD review period? If so, is there a formal time period for conducting this HUD review? Is the public allowed to submit concerns and/or questions during HUD's review process? Will HUD seek, or is HUD required to seek, public comments?
4. Are questions and complaints concerning the equitable and proportional use of these CDBG-MIT funds required to be answered by GLO and HUD prior to disbursement?

I cannot overemphasize the importance of these CDBG-MIT funds for our region and the need to provide adequate mediation funding to both Harris County and the city of Houston because both incurred significant damaging flooding due to Hurricane Harvey. Harris County, which includes the city of Houston have experienced seven federally declared disasters in six years. I believe the intent of Congress was clear

Page 3 of 3
Rep. Jackson Lee
June 17, 2021

concerning the appropriation and application of these critical disaster mitigation funds in 2018, and that these funds were to be allocated equitably and proportionally to communities demonstrating the greatest need, which means Harris County and the City of Houston would each receive funding to address flood mitigation needs. I look forward to answers to my questions, as well as any further clarifying documents and/or information that your office can provide on this important subject.

Yours very truly,



Sheila Jackson Lee
Member of Congress

Secretary FUDGE. If I may, Ms. Jackson Lee, the state of Texas received a total of \$4.2 billion—

Ms. JACKSON LEE. Absolutely.

Secretary FUDGE [continuing]. from the CDBG-MIT. So, let me just be clear, and I am going to read it just so I say it correctly. Texas cannot, cannot draw or distribute funds for the municipalities designated in this competition unless and until their substantial action plan amendment is approved by HUD. We have not approved a plan. A plan has not been submitted to us. And so, until such time as they do that, not only do they need to submit a plan, but further, they need to have input from the community. Neither of those things have happened. And they are not at this point allowed to do anything to distribute it to anyone. And so, we don't know what the plan is we are going to receive from them. But once we get it, we will make sure that they in compliance because the plan further requires that they look at communities of need as well.

Ms. JACKSON LEE. Thank you so very much. And we will provide our input. Let me just quickly say this. One of the issues in my community, I know the stance on public building new construction, but dealing with those in public housing now, the maintenance, the additional resources for additional enhancement programs, job training, and others, you have been committed to that in terms of development in our inner cities. Can you tell me the kind of funding or emphasis will be on existing public housing and to improve the quality, as well as the opportunity for potentially returning felons, which we have made the request, who have done their time, to be able to come home to their families?

Secretary FUDGE. In the American Jobs Plan, the President asked for \$40 billion. We are asking for another \$3 billion in this budget. We know that that is not probably going to be enough to take care of all of the problems. But what we do know is that it is a significant investment. One that has not been made in those numbers in a very, very long time. As well as we expect for those funds to be leveraged so that they can be used through the Section 8 program or the RAD program. So, we do believe that it will make a significant improvement in existing public housing.

Ms. JACKSON LEE. It is very important.

Chairman YARMUTH. The gentlewoman's time has expired.

Ms. JACKSON LEE. I will continue this discussion, Mr. Chairman, thank you. And Madam Secretary, we invite you to Houston. Thank you so very much. I yield back.

Secretary FUDGE. Thank you.

Chairman YARMUTH. The gentlewoman's time has expired. I now recognize the gentleman from New Jersey, Mr. Sires, for five minutes.

Mr. SIRES. Madam Secretary, can you hear me?

Secretary FUDGE. I can hear you fine. It is nice to see you, Mr. Sires.

Mr. SIRES. It is nice to see you. First of all, congratulations on your confirmation.

Secretary FUDGE. Thank you.

Mr. SIRES. If anyone is the right person for this job, it is you. Because certainly someone who has been dealing with public housing

as a mayor knows exactly what the problems are. We saw that they need a brain surgeon for this job. I just want to say also that I thank you for coming to Hoboken recently for the Rebuild by Design Project in Hoboken, New Jersey. This project will build infrastructure resilient to the kind of floodings that we had with Superstorm Sandy. So, I thank you for being there. It meant a lot to the people in my district when you were there.

Secretary FUDGE. Thank you.

Mr. SIREs. Also, I have a couple of questions, but it would be more for my own information. When I was mayor, we had a lot of housing stock that was built after the war for the veterans coming back. And I remember having trouble using funds from the West New York Housing Authority to fix those apartments that were built for the veterans. Do you know if that is still the case?

Secretary FUDGE. You know, Mr. Sires, let me see if I can find out. I don't know, but I will find out and get you an answer as quickly as I can.

Mr. SIREs. OK, great. The other thing is I also dealt a lot with the HMFA. We have two particular programs that I think are very good. One is the Right to Own Program that we have in New Jersey. Basically, people would be able to buy. They would have to live in the place for 15 years before they could buy it. But what it turned out to be was a very small community where everybody took care of the property. Everybody took care of their particular home. And they were very, very happy to have a place called of their own, even if they could not sell it even after 15 years.

The other program that we will use, especially to build for senior building was the Tax Credit Program. At a time where dollars are short, I think these programs were so beneficial because we were able to build these kinds of programs in my community. So, I would just urge you to continue funding these programs because I just feel that this is the way to go.

And the other thing is I am very happy with the American Jobs Plan because it will produce money to retrofit almost \$2 million affordable housing units. As we all know, these affordable housing units have aged. And aging is very expensive to retrofit these units. So, you know, I think that that is a wise use of the money. So, if you could just help me out with those.

Secretary FUDGE. I would be happy to. As a matter of fact, we are expanding the resources that are available to the low-income housing tax credit, as well as in the President's Jobs Plan, there is going to be an expansion because there is going to be a new tax credit. So, we are on the same page and thinking the same way.

Mr. SIREs. Great. And in terms of the program of Right to Own?

Secretary FUDGE. I am sorry?

Mr. SIREs. And in terms of the program where the person——

Secretary FUDGE. Oh, the Right to Own.

Mr. SIREs [continuing]. purchases the right to own.

Secretary FUDGE. Right to Own.

Mr. SIREs. Yes.

Secretary FUDGE. Let me look into that. I mean, I think it is a great idea. Let me look into it and see, yes. The Right to Own, OK. We will check it and get back with you.

Mr. SIRES. Well, you can always come back to the district. I will take you around.

Secretary FUDGE. Thank you for the invitation.

Mr. SIRES. All right. I really don't have much else to say, but just congratulating. I am so happy that we are finally focused on the need that is so needed in this country. And before I forget, you know, 70,000 people came across and they are not legal. You know, they make it sound like 70,000 people are going to get apartments and taking it away from the American people. Actually, they are not eligible to have any unit, right?

Secretary FUDGE. Correct.

Mr. SIRES. If they are here illegally?

Secretary FUDGE. You are correct. They are not eligible.

Mr. SIRES. Good. Thank you. I don't need more time. Thank you, Mr. Chairman.

Secretary FUDGE. Thank you, my friend.

Chairman YARMUTH. The gentleman's time has expired. I now recognize the gentleman from Iowa, Mr. Feenstra, for five minutes.

Mr. FEENSTRA. Thank you, Chairman Yarmuth, and Ranking Member Smith. Secretary Fudge, thank you for being here today.

Secretary FUDGE. Thank you.

Mr. FEENSTRA. Housing shortages have blocked many families out home across the country, especially first-time buyers. My district is facing these same housing shortages, but because I represent a rural district, housing development can be more complicated. Rural areas lack the infrastructure urban areas have and can't quickly produce track housing with 25 starter homes without a significant investment from local resources to make sure that they have electricity, water, infrastructure, broadband, and so forth. So, the Community Block Grant, communities in my district rely on the Community Block Grant as a flexible source of funding to compete and complete some of these projects.

The congressional justification also includes \$295 million increase for revitalization of deteriorating or deteriorated neighborhoods and places with the greatest need. These funds are separate from the old formula used to calculate the usual allotment of these resources. The justification says that the allotment of these dollars would be at your discretion. Madam Secretary, how much of the \$295 million CDBG dollar increase will be utilized in the rural parts of our country?

Secretary FUDGE. Well, I think if you take into consideration that about 14 percent of all of the dollars we use for public housing, et cetera, goes to rural communities. I would think that we would look at how much really goes. I can't tell you off the top of my head, but we know that it is significant because we know that a significant number of people who live in rural communities are already receiving HUD resources.

So, the one thing that I say to people who ask me about rural, HUD is not a rural or urban area particularly. HUD takes care of all people who need housing. And certainly, the rural communities, I believe, in the past have not been always given the resources that they deserve. And I am certainly willing to take a look at how we can make sure that that doesn't continue to happen.

Mr. FEENSTRA. Thank you, Secretary Fudge. I greatly appreciate that because we really struggle in rural America. You know, as our communities continue to reduce in population and stuff like that, and the infrastructure costs are just so significant that we need all the assistance that we can get.

One other note, on the subject of rural broadband. House congressional justification notes that the public housing program in the Office of Multifamily Housing will focus on providing broadband to families of underserved communities. Broadband access is a major priority for me and my rural district in Iowa. Will these initiatives provide any focus toward rural America? If so, how? And I know what you said earlier, but I would just like if you could relate this now to broadband, I would greatly appreciate it.

Secretary FUDGE. You know, the language of the bill actually directs a lot of it to rural and underserved communities. One of the things that I know even from my days on AG, is that one of the things that farmers talked about was broadband. One of the things that people in rural communities talk about is broadband. So, know that we are going to spend a significant amount, probably more in rural communities as a percentage, as a percentage of the total because rural communities have less access.

So, there are two main populations that don't have broadband. Rural and inner cities. And so, the bulk of the resources are going to go to those two places.

Mr. FEENSTRA. Secretary Fudge, I really appreciate that. You know, when you think of rural America—and this is where the struggle again becomes especially when we talk about education, online education, we really struggled through the pandemic. And then also telehealth. You know, a lot of people are traveling 30 to 40 miles to a hospital right now. And broadband could be the difference maker when we trade telehealth. So, I urge you to look at this. I think it is such a critical asset for rural communities. With that, thank you for being here, and I yield back.

Secretary FUDGE. Thank you. And I would say that we are not going to continue to allow kids to have to go and sit in a parking lot of a McDonalds or at the library. We are really going to do everything we can to be sure that communities that you are addressing have the kind of broadband that they need.

Mr. FEENSTRA. I am so grateful for those comments. Thank you.

Chairman YARMUTH. The gentleman's time has expired. I now recognize the gentleman from Massachusetts, Mr. Moulton, for five minutes.

Mr. MOULTON. Thank you, Mr. Chairman. Can you hear me OK?

Chairman YARMUTH. We hear you.

Mr. MOULTON. Thank you. Madam Secretary, I am thrilled to see you before the Committee today. And while you are missed in the House chamber, I could not think of a better person to serve as Secretary and fight for housing security and economic equity for all Americans. So, thank you so much.

Secretary FUDGE. Thank you, my friend. It is nice to see you.

Mr. MOULTON. It is good to see you too. I also applaud the budget request before the Committee today for its significant investment in affordable housing, and specific housing assistance to historically underfunded and marginalized communities. Madam Sec-

retary, as you know, we live in an era where rent is skyrocketing. Housing is increasingly scarce. More families are having to choose between paying rent and putting food on the table.

So much of this is about access to housing and then access to jobs from that housing, which is why I am such a strong supporter of transit-oriented development, a model of mixed-use development. Housing, retail, commercial building, located within a 1/2-mile radius of transit. And, you know, this doesn't have to be forced. You have good transit and businesses, retail, they like to locate there. And you get good housing options. So, Madam Secretary, do you agree that transit-oriented development could drastically increase the supply of affordable housing? Both around transit stations, but also in the areas to which transit provides access?

Secretary FUDGE. I agree 100 percent. And Secretary Buttigieg and I are working together to be sure that the Jobs Plan and our budgets reflect that sentiment exactly.

Mr. MOULTON. What else can we do to work alongside HUD and DOT to make these kinds of investments and to support your work?

Secretary FUDGE. Well, I think that one of the things that can be done is for Congress to start to look at the budgets as a collective and not just look at a HUD budget and look at a transportation budget separately. But to look at them together because I think then you will find that when we work together, we do accomplish the things that you are talking about. I can't put it in mine, but he can in his. So, that is why we are working together. We are going to be doing some things publicly as well. And it would great if you all could just make sure that you are supportive and that you are there when we come to your communities to talk to about the very things that we know our communities need.

You know, if we are talking about building new housing, we have to get people to work. If we are talking about building new businesses, we have to get people to work. We know that transportation is tied significantly to what we are doing with housing as well.

Mr. MOULTON. One of the things that often prevents transit-oriented development in places where the free market would bring it without even any incentives, is zoning practices. And zoning practices coupled with restrictive covenants, a history of unethical mortgage and real estate practices, have often left racially and socially economically segregated communities in their wake. So, affordable housing, of course, aims to address this challenge. But there are a lot of challenges that persist. And often families who get access to affordable housing don't get access to the higher performing schools, the best performing jobs and other community resources that are so important. So, I know you well—excuse me—you know all too well that housing determines whether many resources and opportunities are accessible. How does the Fiscal Year 2022 budget request promote smart growth zoning ordinances?

Secretary FUDGE. Well, one of the things—and you mentioned, you said the word, zoning. One of the things we are doing is giving incentives to communities to look at their zoning. You know, the one thing that I know from my many years of being an elected official and just from being a community person, all people want the same thing. You know, every single person wants to live in a de-

cent home. To live someplace that's safe. To have their children have a good education. To be able to take care of their parents and grandparents. Every single person, whether you are rich or poor, wants the same thing. But our societies have become so separated and segregated that in one community that I used to represent, if you drove nine miles, their life expectancy was 10 years more.

So, we can't continue to allow zip codes to dictate our outcomes. And I think that all of us throughout government are looking at everything through an equity lens. And I believe that when you get a chance to look at the total President's budget, I think you will be pleased.

Mr. MOULTON. Well, keep us informed of how we can further support your work. We are so fortunate to have your leadership. So, thank you so much. And, Mr. Chairman, I yield back.

Secretary FUDGE. Thank you. Good to see you.

Chairman YARMUTH. The gentleman yields back the balance of his time. Now, you are stuck with me for about 10 minutes,—

Secretary FUDGE. OK.

Chairman YARMUTH [continuing]. so I yield myself those 10 minutes. And to begin, I want to echo what Mr. Moulton has said. I can't imagine a person who not only has the background to do this job so well and successfully, but also the passion for the mission of the agency. And that is what sometimes we haven't seen in recent years.

You know, I said to you before the hearing that one of the things that impressed me most—has impressed me most about the Biden Administration and their proposals and this would certainly be true of the HUD budget proposal as well, is that we have essentially changed the mindset of the last 50 or 60 years about how the federal government deals with the challenges of the country.

Secretary FUDGE. Right.

Chairman YARMUTH. We have been saying the first question we have always asked is, what can we afford to do? And now the question we are asking, which I think is the appropriate question first, is what do the American need us to do? And I think, again, your budget proposal and the entire Biden Agenda reflect that mindset.

In my district, we have a neighborhood of low-income housing. It is virtually 100 percent people of color. And in the middle of it, we have something called the Keystone Academy. The Keystone Academy is an early childhood education center. It stays open all day. It provides not only incredible education for the kids from that neighborhood, but also childcare, which is essential for those families. And when I visited there and saw not only the miracles they work there with the kids, but also thinking about how pieces fit together in a lot of different ways. And while your focus is on housing, we really are focused on broader pictures. We are focused on communities, neighborhoods, communities, cities, and obviously, our country. And it seems to me that we have kind of touched on this a little bit, but I would like you to kind of elaborate on how the pieces of the American Jobs Plan and the American Families Plan fit together, both to help you advance the mission of your Department, but also just the country.

Secretary FUDGE. You know, Mr. Yarmuth, Mr. Chairman, I have been in elective office almost 30 years. I have never been

more happy to be where I am today. The Biden Administration has become so visionary. These budgets talk about how we live, not what we do, but how we live. Coming out of COVID, you just can't imagine the number of people who can't afford childcare, who maybe aren't back to their jobs, who are now forced to take care of their families.

And I say it this way. When we went into the COVID protocols, the first thing they said to us, Mr. Chairman, is stay home. What happened if you didn't have a home? They said to us that we need to educate our children virtually. So, you don't have a home and then you don't have high speed internet or you don't have broadband. They said if you are sick, stay home. Heal at home.

And so, when people say to us that, well, housing is not infrastructure. How could it not be? When they say to us that it is not important for us to do things like create a care economy. When we have a system today where there are not enough places for people who are elderly to go. Our senior care is really not anywhere near where it needs to be. So, we are saying we need to build more senior housing. The other thing we need to do is help people who are getting older but are healthy age in place. Our societies have never talked about those things.

We need to talk about how we better educate our children. We talk about it, but we don't put the resources or we don't put the heft behind it that needs to be there. And so, I would say that the Jobs Plan, the Families Plan, and, of course, the Rescue Plan that was already passed, is looking at an America that is really going to be able to compete and lead the rest of the world. If we continue to think about infrastructure and we continue to think about how we treat our families the way we did 20 years ago, we will forever be lost.

We are already being surpassed by so many countries because we have not invested in research and technology. We have not invested in our education systems to the way we should. And we have clearly not made it comfortable for people to live and work in this country. And that is what this budget does. It looks at how people live and not just what they think people need.

Chairman YARMUTH. And it also strikes me that there is something that kind of permeates the entire Biden Agenda and that is a sense of urgency. And I think too often we, because they are tough challenges that we face in so many areas whether it is housing, education, and healthcare, there is a tendency to kick the can down the road and not deal with things when they can be dealt with, maybe less expensively, and more efficiently. And sometimes I see and not necessarily in Congress right now, but I see some of my Republican colleagues around the country think that it is more urgent to keep schools from teaching critical race theory—which they don't teach—than it is to deal with the things that really matter in people's lives.

And one of the things that you mentioned early on in your testimony: the issue of disinvestment. And certainly, that is true of our housing stock. It is true of, again, you just mentioned a number of areas in which we have disinvested and part of that was because of our austerity attitude starting back in 2011 and the sequestration program. So, I know to some people a 15 percent increase

seems like a pretty hefty increase in one year, but you have talked about the cutback in staff and all the things. So, this really probably if you think about if you were running a business organization, you wouldn't have needed a 15 percent increase this year because you would have made the investments all along.

Secretary FUDGE. Right.

Chairman YARMUTH. Is that the case?

Secretary FUDGE. You know, I would say this, Mr. Chairman. I think that we have so long looked at numbers and not what the numbers mean. At some point, we do have to bite the bullet. Great nations do great things. And this is a great nation. And until we make the kinds of commitments and put the resources behind it, we are not ever going to be what we ought to be. At some point you just have to say, this is the time. I don't know that there is a better time. We have an Administration that is willing to do big and bold things. We have a Congress full of brilliant people. And we have people in this country who have hope.

This is the time for us to make the changes that need to be made. And if we don't do it, then we talk a good game, but when you really want to do something, you find a way to do it. You find the resources. We find the resources to do all kinds of other things. Let's find the resources to invest in our people and the future of this nation.

Chairman YARMUTH. I totally agree. We asked the right question first. What do we need to do? I think the Biden Administration has answered that. Now, we figure out how to resource it.

Secretary FUDGE. That is right.

Chairman YARMUTH. We can do that.

Secretary FUDGE. Absolutely.

Chairman YARMUTH. I am going to let you go. I just wanted to make one point just because this something I follow as kind of pet project. Because we talked about inflation and lumber prices, lumber prices are now down almost 50 percent in the last month. And as a matter of fact, I just checked a little while ago, and they are down almost 11 or 12 percent today.

Secretary FUDGE. Right.

Chairman YARMUTH. So, what has happened is—and this is why I think this discussion of this panicking over inflation right now is uninformed and misguided. And that is what happened with the lumber prices, a lot of the lumber producers thought when the pandemic started, there wouldn't be a demand, so they cut back. Then the developers started buying up all the stock and the futures driving the prices up. Now, they are having to sell that back—all those things they bought because they misjudged the dynamics of the market. So, you know, and that is happening with rental cars. It is happening with a lot of other things right now. So, again, all this goes to the point of we can afford to do what we need to do on behalf of the American people.

So, once again, let me thank you for your testimony and the time you spent with us, your responsiveness, and the great job you are doing. And unless there is any further business, the hearing stands adjourned.

Secretary FUDGE. Thank you very, very much.

[Whereupon, at 12:34 p.m., the Committee was adjourned.]

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CONGRESSWOMAN SHEILA JACKSON LEE OF TEXAS

STATEMENT

HYBRID HEARING:

**“PRESIDENT’S FY2022 BUDGET REQUEST FOR
DEPARTMENT OF HOUSING AND URBAN
DEVELOPMENT”**

**COMMITTEE ON THE BUDGET
WEDNESDAY, JUNE 23, 2021
210 CANNON & ZOOM
10:00 A.M. (EDT)**

- Thank you Chairman Yarmuth and Ranking Member Smith for convening this hearing on the *“President’s FY 2022 Budget Request for the Department of Housing and Urban Development.”*
- Let me welcome our witnesses:

The Hon. Marcia Fudge
Secretary
U.S. Department of Housing and Urban Development

- Secretary Fudge is a valued friend and former House colleague, having represented the 9th Congressional District of Ohio for more than a decade.
- Previously Secretary Fudge served as Mayor of Warrensville Heights, Ohio, so she is intimately familiar with the challenges and opportunities facing cities and urban areas.
- The President and his administration are committed to providing every American with safe, affordable homes in thriving communities by assisting families who lost their jobs during the pandemic, or who lost wages to stay safely at home to care for themselves or a loved one, through the emergency housing relief included the American Rescue Plan.
- Mr. Chairman, we should remember that an affordable housing crisis predated COVID-19.
- The President's budget commits to build new affordable housing units and to rehabilitate dated, unsafe dwellings so that we can Build Back Better the nation's affordable housing stock.
- The housing investments in the American Jobs Plan will provide more than a simple roof over families' heads, but healthy, modern, resilient homes where families can prosper.
- The President's Fiscal Year 2022 (FY22) budget includes \$68.7 billion for the Department of Housing and Urban Development (HUD), a \$9 billion or 15.2 percent increase over enacted FY21 funding.
- Federal rental assistance programs have not helped enough families fill the gap between rent and income with three out of four at-risk, eligible households not receiving support so the budget includes \$30.4 billion in Housing Choice Vouchers, a \$5.4 billion increase over 2021 enacted funding.

- The increase in the President's budget will not only continue tenant-based rental assistance for existing families but also support 200,000 additional families.
- The budget invests in rehabilitation and modernization of affordable housing by including \$8.6 billion for the Public Housing Fund, a \$769 million increase over 2021, which will enable local housing authorities to address both the operating and capital needs of 960,000 public housing units.
- The investment will increase the energy efficiency, air quality, and safety and sustainability of affordable housing by providing state and local governments additional resources to acquire or rehabilitate affordable housing units with the proposed \$1.85 billion for HOME Investment Partnership grants, a \$500,000 increase over 2021.
- The formula grants allow local governments flexibility in where and how to provide housing options to its vulnerable populations.
- Mr. Chairman, to address the homelessness crisis, the budget will support an additional 100,000 families through emergency shelters, rapid-rehousing, transitional housing, and permanent solutions funded by Homeless Assistance Grants.
- The budget includes a \$500 million increase over the enacted 2021 level.
- Of the total, \$3.1 billion supports renewal and new Continuum of Care services that address homelessness from initial shelter through permanent housing.
- The request includes \$290 million for Emergency Solutions Grants to provide emergency shelter for those in a sudden housing crisis.
- What is most exciting is that the American Jobs Plan provides an immediate shock of funding to reinvent an affordable housing

inventory that in most cases is more than 50 years old and creates good paying jobs that result in modern, sustainable housing.

- Major HUD components of the American Jobs Plan include:
 1. Increases the Housing Trust Fund by \$44.6 billion over ten years.
 2. Invests \$40 billion over ten years in the Public Housing Fund to support the capital and operations of the Public Housing program and provide grants to local public housing agencies for hazard mitigation (lead paint), energy efficiency, and overall modernization of the nation's public housing infrastructure.
 3. Provides \$34.3 billion for HOME Investment Partnership grants so state and local governments can increase the number of affordable housing units and expand homeownership for low-income families through the acquisition, construction, and rehabilitation of housing.
- Mr. Chairman, House Democrats prioritized immediate rental assistance in both the Coronavirus Aid, Relief, and Economic Security Act (CARES) and in the American Rescue Plan (ARP) so that families did not have to make impossible choices between keeping a roof over their head and feeding their children as their take home pay dropped from layoffs, reduced hours, or the need to stay safely at home to protect themselves and others.
- The CARES Act included \$3 billion for key rental assistance programs for renters (\$2.3 billion), the elderly (\$50 million), persons with disabilities (\$15 million) and for the operating needs of the Public Housing Operating Fund (\$685 million).
- The American Rescue Plan included another \$5 billion for emergency housing vouchers.

- In addition, the Consolidated Appropriations Act, 2021 and ARP combined to provide the Department of Treasury more than \$46 billion to stand up the Emergency Rental Assistance program to help families unable to pay rent or utilities.
- Mr. Chairman, I look forward to discussing this welcome budget request with HUD Secretary Fudge, who we all know to be a person of considerable knowledge, unimpeachable integrity, and committed to building back better and ensuring that all Americans have access to safe, affordable, and quality housing for themselves and their families.
- Thank you; I yield the remainder of my time.

**Representative Michael C. Burgess
Questions For the Record**

Secretary Fudge, under federal law, applicants for federal housing assistance must provide a Social Security Number to qualify. Recent guidance issued by HUD indicates the agency is not going to require a valid Social Security Number for 70,000 emergency housing vouchers that are available.

According to Customs and Border Protection data, for each of the past three months, there have been over 170,000 individuals apprehended along our southern border or found to be inadmissible. In addition, for the same three months, over 100,000 individuals each month have been expelled under Title 42 authority. Should the Biden Administration remove Title 42, that would mean there are almost 300,000 people crossing into our country without documentation – each month- that will need housing.

Why should emergency housing vouchers, paid for by American taxpayers, be provided to non-Americans in this country without proper documentation?

How does the Administration propose to fund and house 300,000 undocumented individuals each month?

Secretary Fudge, President Biden's budget request does not include any dedicated funding for the HUD-VA Supportive Housing Program, also known as HUD-VASH. This program has benefited veterans in my district for years and is an important support program for those that have sacrificed for this country. I am very concerned that HUD will allow individuals without Social Security Numbers, mostly undocumented migrants, to access emergency housing vouchers while ignoring the veterans that have served our country.

Why is funding for HUD-VASH not included in the budget request?

**“U.S. Department of Housing and Urban Development’s Fiscal Year 2022
Budget”**

June 23rd, 2021

**Questions for the Record for Secretary Marcia Fudge
Representative Ashley Hinson (IA-01)**

1) As a member of both the Budget and Appropriations Committees, I am closely tracking the pace of disbursements of federal funds for COVID relief, specifically the lack of ability to get relief money out the door to those who need it, while also ensuring that the funds are spent with proper oversight.

- HUD has received significant funding from previous COVID relief legislation and the American Rescue Plan. What efforts is HUD taking to ensure that these funds are being distributed properly?
- What role is HUD playing in ensuring that renters are repaying rent debts following the expiration of the eviction moratorium given the rental assistance programs that HUD has provided?

2) The budget specifically supports energy efficient and climate resilient public housing options, mentioning severe disasters. Mitigation and recovery strategies vary depending on different communities’ locations geographically and the types of disasters they face.

- How does HUD plan to ensure that funds for “climate resilience” are going to support mitigation against disasters, including floods, and not just retrofitting existing structures for energy efficiency?
- What efforts is HUD taking to work with communities to ensure that these resources are best tailored for their unique needs?

3) What do you see as the continued role of HUD in disaster policy – specifically what efforts are you taking to ensure that future funding for programs like CDBG-DR are going to communities that need them?

- What changes and Congressional action for the CDBG-DR and CDBG-MIT programs does the Administration support?

Representative Joseph D. Morelle
Questions for the Record for Secretary Marcia Fudge

- The housing components of the American Jobs Plan emphasize increasing and improving the supply of affordable housing and providing the demands of applicants.
 - What is the relationship between the construction, repair, and modernization in the Jobs plan and the rental assistance in the discretionary budget?
 - Is the gap in rental assistance a funding issue, a supply issue, or both?
- President Biden’s nearly \$2 trillion infrastructure package calls for making major investments towards public housing. The majority of these communities are in disrepair with critical life-safety concerns and imminent hazards to residents. To add, the pandemic has only exposed, revealed, and worsen this situation.
 - How does the budget plan to update current housing developments to meet the needs of residents?
- The American Jobs Plan includes commitment to advance racial equity through a whole of government approach. In particular, reforms that would address the disparate experiences and outcomes of families of color who apply for rental assistance.
 - How does the Biden Budget meet that goal?
 - What is the Department’s plan to make sure these families get the assistance needed to not revert back to public housing once they have moved on?
 - How does the budget encourage home ownership to make sure these families do not continue to depend on these programs?

The Honorable Jan Schakowsky

Questions for the Hon. Marcia Fudge

Secretary

U.S. Department of Housing and Urban Development

1. For far too long, Americans who use wheelchairs or walkers face barriers to access and visit buildings and homes across the country due to a lack of inclusive design. At least 1 in 7 American adults have a mobility limitation. To address this issue, I am reintroducing my bill, the Eleanor Smith Inclusive Home Design Act, next month. **What steps is HUD taking to improve the visitability of homes nationwide to be more inclusive?**

Questions for the Record for Secretary Fudge
House Committee on the Budget
“U.S. Department of Housing and Urban Development’s Fiscal Year 2022 Budget”
Wednesday, June 23, 2021

Representative Michael C. Burgess

1. Secretary Fudge, under federal law, applicants for federal housing assistance must provide a Social Security Number to qualify. Recent guidance issued by HUD indicates the agency is not going to require a valid Social Security Number for 70,000 emergency housing vouchers that are available.

According to Customs and Border Protection data, for each of the past three months, there have been over 170,000 individuals apprehended along our southern border or found to be inadmissible. In addition, for the same three months, over 100,000 individuals each month have been expelled under Title 42 authority. Should the Biden Administration remove Title 42, that would mean there are almost 300,000 people crossing into our country without documentation – each month- that will need housing.

- a. Why should emergency housing vouchers, paid for by American taxpayers, be provided to non-Americans in this country without proper documentation?

HUD takes seriously our responsibility to implement this and all programs in full accordance with laws and statutes. HUD’s recent policy implementing the Emergency Housing Voucher Program did not waive the law governing noncitizen eligibility for subsidized housing. As with all voucher programs, public housing authorities (PHAs) must verify that voucher recipients meet all eligibility requirements. As such, PHAs also must verify evidence of U.S. citizenship or eligible immigration status for noncitizens claiming eligibility for assistance. In establishing the EHV program, of primary concern to HUD was the ability for Public Housing Authorities to react swiftly to prevent homelessness in the midst of the COVID-19 pandemic. HUD determined that a substantial obstacle to quickly re-housing eligible applicants at substantial risk because they are experiencing homelessness, fleeing from domestic violence, sexual assault, and human trafficking is the time it takes to obtain certain documentation related to EHV eligibility. In response, pursuant to waiver authority granted by the American Rescue Plan Act, HUD made available to PHAs the option to allow additional time to collect various forms of documentation to verify recipient eligibility, including documents such as Social Security cards, citizenship declaration forms, and birth certificates. Consequently, the restrictions imposed by Congress on what groups of non-citizens have qualifying immigration statuses are still in effect. However, the PHAs have the option to allow eligible applicants a longer period of time in which to obtain supporting documentation of their qualifying citizen or immigration status. When PHAs use this option, they must still collect Social Security Numbers and signed self-certifications of applicants’ citizenship or eligible noncitizen status, and must collect supporting documentation within 180 days of admission.

- b. How does the Administration propose to fund and house 300,000 undocumented individuals each month?

HUD is unable to answer this hypothetical question, since the agency has not been given the mandate posed by this question.

- 2. Secretary Fudge, President Biden's budget request does not include any dedicated funding for the HUD-VA Supportive Housing Program, also known as HUD-VASH. This program has benefited veterans in my district for years and is an important support program for those that have sacrificed for this country. I am very concerned that HUD will allow individuals without Social Security Numbers, mostly undocumented migrants, to access emergency housing vouchers while ignoring the veterans that have served our country.**

a. Why is funding for HUD-VASH not included in the budget request?

The President's FY 2022 budget request includes renewal funding for all existing 103,549 HUD-VASH vouchers in HUD's Tenant Based Rental Assistance (TBRA) line item. After the initial appropriation, all special purpose vouchers such as HUD-VASH, are renewed within HUD's TBRA budget.

The President's FY 2022 budget does not include a request for new HUD-VASH vouchers because HUD and the VA are working with PHAs and their VA Medical Center partners to fully utilize the existing vouchers that have been previously awarded.

More specifically, in December 2020, HUD awarded \$46.8 million in new HUD-VASH awards with FY 2020 funding. As a result, 195 PHAs received 4,875 vouchers that PHAs are working to lease in CY 2021. On July 14, 2021, HUD published a registration of interest for HUD-VASH vouchers (Notice PIH 2021-21). Through this notice, HUD announced the availability of \$49 million in new HUD-VASH assistance. This includes \$40 million in FY 2021 funding and \$9.3 million in carryover. Awards will be announced in the 4th quarter of CY 2021, with leasing for the majority of the vouchers to span CY 2022. Additionally, the VA determined they will not be able to support an allocation date any sooner than the end of the CY. Additional coordination with the VA is also required on new flexibilities authorized for 2021.

The Biden-Harris Administration remains committed to ending Veteran homelessness and to using evidence-backed programs like HUD-VASH to achieve this goal. HUD and VA believe that significant progress towards this goal can be made through the HUD-VASH vouchers that have been recently appropriated and that will be awarded in CY 2021 and CY 2022.

Representative Ashley Hinson

- 1. As a member of both the Budget and Appropriations Committees, I am closely tracking the pace of disbursements of federal funds for COVID relief, specifically the lack of ability to get relief money out the door to those who need it, while also ensuring that the funds are spent with proper oversight.**

a. HUD has received significant funding from previous COVID relief legislation and the American Rescue Plan. What efforts is HUD taking to ensure that these funds are being distributed properly?

Much of the funding provided to HUD in the CARES and American Rescue Plan Acts (Community Development Block Grants-CV, Emergency Solutions Grants-CV, Emergency Housing Vouchers, and HOME for example) was distributed to grantees via Congressionally-mandated formulas. When applicable, grantees have the responsibility to distribute funding to the individual or family receiving assistance, or to utilize the funding to support the COVID-19 pandemic response. To help grantees properly execute these

programs, the Department has provided webinars, frequently asked questions, program guidance, and technical assistance.

In other programs, such as Indian Community Development Block Grants and the Fair Housing Initiatives Program, grantees will request funding through notices available on the website. Grantees are responsible for adhering to the terms of the grant agreements, including requirements on who the funding should serve. Ensuring compliance with grant agreements is a routine part of HUD's monitoring of grant programs.

b. What role is HUD playing in ensuring that renters are repaying rent debts following the expiration of the eviction moratorium given the rental assistance programs that HUD has provided?

HUD has increased outreach to assisted residents, public housing authorities (PHAs) and Section 8 landlords to alert them to rental assistance funds available and clarified how these funds can be used to cover rent arrearages and utility costs beyond the current utility allowance. HUD prepared an [Eviction Prevention and Stability Toolkit](#) that includes one page guidance and advice on flexible repayment agreements that PHAs can use to allow the resident to pay back debts over time and avoid program termination. HUD has hosted a series of webinars for PHAs to highlight eviction prevention best practices and released [in-depth FAQs](#) for PHAs regarding the tenant's use of Emergency Rental Assistance to repay back rent. Resident flyers are available in [20 languages](#). HUD continues to work directly with the U.S. Treasury, its grantees and PHAs to ensure programs can effectively coordinate, and where possible, streamline application processing.

2. The budget specifically supports energy efficient and climate resilient public housing options, mentioning severe disasters. Mitigation and recovery strategies vary depending on different communities' locations geographically and the types of disasters they face.

a. How does HUD plan to ensure that funds for "climate resilience" are going to support mitigation against disasters, including floods, and not just retrofitting existing structures for energy efficiency?

- i. HUD intends to award two separate types of grants: one focused on energy efficiency and the other on climate resilience. The two types would be awarded based on separate selection criteria, identified in a Notice of Funding Opportunity (NOFO), and limited to discrete eligible activities based on the purpose of the grant.

b. What efforts is HUD taking to work with communities to ensure that these resources are best tailored for their unique needs

- i. HUD intends to structure the selection criteria, within the NOFO, for awarding climate resilience grants such that PHAs may apply for funding to mitigate a number of climate risks likely to pose a challenge for public housing properties and will account for varied risk factors across geographic regions. In addition, HUD Office of Public and Indian Housing (PIH) field office staff work with PHAs to encourage proper disaster and emergency plans are in place. Support includes technical assistance to ensure pre-disaster planning and steps are taken to preserve

life and infrastructure. PIH also has the ability to provide technical assistance for disaster preparation through contracted vendor support.

3. What do you see as the continued role of HUD in disaster policy – specifically what efforts are you taking to ensure that future funding for programs like CDBG-DR are going to communities that need them?

a. What changes and Congressional action for the CDBG-DR and CDBG-MIT programs does the Administration support?

HUD knows that the frequency and severity of disasters will increase due to climate change, which, in turn, will magnify existing racial and socioeconomic gaps. As the Administration implements the policy goals articulated in Executive Orders “Advancing Racial Equity and Support for Underserved Communities Through the Federal Government” (EO 13985) and “Tackling the Climate Crisis at Home and Abroad,” (EO 14008) we see an opportunity to guide disaster recovery investment around our shared priorities of equity and resilience, with a particular focus on investing in a resilient recovery for vulnerable communities. HUD is uniquely positioned to carry out these priorities as we work with Congress to define HUD’s role in disaster recovery through the Community Development Block Grant – Disaster Recovery (CDBG-DR) program, building on lessons learned from the existing approach of ad hoc supplemental appropriations Acts.

Representative Joseph D. Morelle

1. **The housing components of the American Jobs Plan emphasize increasing and improving the supply of affordable housing and providing the demands of applicants.**

- a. **What is the relationship between the construction, repair, and modernization in the Jobs plan and the rental assistance in the discretionary budget?**

The funding proposed in the President's Build Back Better agenda represents a bold investment to increase the supply of affordable housing and ensure that we don't lose current affordable housing units, especially public housing, due to disrepair. This supply investment will help both families with and without federal rental assistance better afford a place to live and increase housing options.

The discretionary budget, in addition to maintaining assistance for all currently assisted families, would increase the Housing Choice Voucher program by 200,000 families. The housing created in the Build Back Better agenda will provide more housing choices for these families, especially in tight rental markets.

- b. **Is the gap in rental assistance a funding issue, a supply issue, or both?**

The rental assistance gap is both a funding and a supply issue. HUD's ability to provide low-income families with Housing Choice Vouchers is constrained by Congressional appropriations; however, some families who receive Housing Choice Vouchers struggle to find a suitable home, especially in tight rental markets, and increasing the supply will greatly assist these families.

2. **President Biden's nearly \$2 trillion infrastructure package calls for making major investments towards public housing. The majority of these communities are in disrepair with critical life-safety concerns and imminent hazards to residents. To add, the pandemic has only exposed, revealed, and worsen this situation.**

- a. **How does the budget plan to update current housing developments to meet the needs of residents?**

The Build Back Better agenda includes \$40 billion to invest in public housing modernization. This will allow PHAs to leverage additional public and private funding to fully address the capital needs backlog, resulting in higher quality, safer, healthier units for families. In addition, the discretionary budget proposes an increase in funding for public housing capital needs, including investments in energy efficiency and climate resilience.

3. **The American Jobs Plan includes commitment to advance racial equity through a whole of government approach. In particular, reforms that would address the disparate experiences and outcomes of families of color who apply for rental assistance.**

- a. **How does the Biden Budget meet that goal?**

The President's Budget includes 200,000 new housing choice vouchers, which will help people with low incomes, who are disproportionately people of color, afford housing. The Budget proposes that communities prioritize people experiencing or at risk of homelessness, which is another area where people of color are overrepresented. For example, about 40 percent of people experiencing homelessness on any given night were Black, while Black people only make up about 14 percent of the U.S. population.¹

Also included in the President's proposal is \$491 million in funding for mobility services in the Housing Choice Voucher program. People of color with a housing voucher are disproportionately living in racially segregated communities that have also historically faced racist and discriminatory policies that have led to disinvestment, high crime rates, poor performing schools, high mortality rates, and poor health outcomes for children. This funding attempts to correct this problem by giving housing authorities resources to help families live in communities of their choice, which includes places deemed as 'high opportunity' neighborhoods with better schools, health outcomes, and access to jobs.

Finally, the President's budget includes a \$50 million increase for the Choice Neighborhoods program. Choice Neighborhoods grants allow communities to invest in neighborhoods with public and HUD assisted housing to improve not only housing but the surrounding neighborhood as well. These grants often help communities that are predominately people of color redevelop housing and create essential neighborhood features such as grocery stores and park space to help these communities thrive.

b. What is the Department's plan to make sure these families get the assistance needed to not revert back to public housing once they have moved on?

Although there are no guarantees that life circumstances would not result in families returning to a point where the family in need of HUD-assisted housing, HUD has several programs that serve to support families achieving long-term self-sufficiency. Specifically, HUD's budget includes a \$20 million increase in Self-Sufficiency Programs, including ROSS, FSS, and Jobs Plus. These programs help HUD-assisted households improve job skills, learn savings strategies, and access supportive services that help with job access.

c. How does the budget encourage home ownership to make sure these families do not continue to depend on these programs?

The FY2022 HUD budget includes a \$100 million set-aside for Secretary Fudge's new homeownership initiative, the FirstHOME Homebuyer Assistance initiative, which provides funding through CPD's HOME Investment Partnership program to States and insular areas – unincorporated territories of the United States – to increase initial equity for first-time homebuyers and support sustainable homeownership. The FY2022 budget also includes a set-aside for a new Home Equity Accelerator Loan (HEAL) program at FHA that will offer new loan products to lower barriers to homeownership for first-generation and/or low-wealth potential first-time homebuyers.

¹ <https://www.census.gov/newsroom/press-releases/2020/2020-demographic-analysis-estimates.html>

Representative Jan Schakowsky

1. For far too long, Americans who use wheelchairs or walkers face barriers to access and visit buildings and homes across the country due to a lack of inclusive design. At least 1 in 7 American adults have a mobility limitation. To address this issue, I am reintroducing my bill, the Eleanor Smith Inclusive Home Design Act, next month. What steps is HUD taking to improve the visitability of homes nationwide to be more inclusive?

The Fair Housing Act requires newly constructed multifamily housing with 4 or more units built after March 13, 1991 to meet certain accessibility requirements for individuals with disabilities, including individuals with mobility disabilities. Section 504 of the Rehabilitation Act requires HUD-funded housing to provide a higher level of accessibility for individuals with disabilities, including a requirement for at least 5% of units to be readily accessible to individuals with mobility disabilities and at least 2% of units to be readily accessible to individuals with vision or hearing disabilities.

Later this year, FHEO plans to issue two Advance Notices of Proposed Rulemaking to seek public comment on how HUD's rules implementing the Fair Housing Act and Section 504 of the Rehabilitation Act could be modified to improve accessible housing options for individuals with disabilities. HUD is committed to ensuring accessibility to the greatest extent possible.

Although there is a great need for single-family housing that is accessible to individuals with disabilities, single-family housing is currently not subject to the design and construction requirements of the Fair Housing Act. As a result, there is very little accessible single-family housing across the country and the vast majority of single-family housing is not even visitable. Because the Fair Housing Act only applies to multi-family housing, FHEO cannot establish accessibility requirements for newly constructed single-family absent legislation that authorizes FHEO to do so. HUD is available to provide technical drafting assistance for proposed legislation to improve the accessibility of housing for individuals with disabilities.

In addition, on August 6, 2021, HUD awarded \$30 million to 32 nonprofit organizations, state and local governments, and public housing authorities to assist in undertaking comprehensive programs that make safety and functional home modifications and limited repairs to meet the needs of low-income elderly homeowners that allow them to age in place.

Finally, HUD and HHS are working to implement the newly-reauthorized Money Follows the Person (MFP) Program, an optional program within Medicaid that can cover one-time transition costs, such as first month's rent, utility deposits, and accessible, essential home furnishings. Please find more information about MFP and the HUD-HHS Community Living Initiative at the following link: https://acl.gov/sites/default/files/ada/HHS-HUD_HousingFactSheetpdf.pdf.